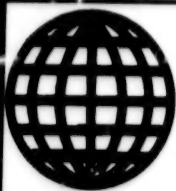


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24 OCTOBER 1990



**FOREIGN
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JPRS Report

Near East & South Asia

Near East & South Asia

JPRS-NEA-90-062

CONTENTS

24 OCTOBER 1990

NEAR EAST

REGIONAL AFFAIRS

Kuwait Agrees To Compensate Egyptian Workers for Losses [Cairo AL-AHRAM AL-DUWALI 11 Oct]	1
Chadli Klibi's Resignation Discussed	1
Iraq's Pressures for Resignation [London AL-SHARQ AL-AWSAT 5 Sep]	1
Resignation Related to Gulf Crisis [Cairo AL-AHRAM AL-DUWALI 5 Sep]	2
Syrian Official Interviewed on Mubarak, Shamir [Tel Aviv YEDI'OT AHARONOT 20 Jul]	3

PALESTINIAN AFFAIRS

Economic Problems in Gulf May Spur Terrorism [Tel Aviv YEDI'OT AHARONOT (Weekend supplement) 14 Sep]	5
---	---

EGYPT

SLP Members Reportedly Resign Over Pro-Iraqi Stance [London AL-SHARQ AL-AWSAT 1 Oct]	6
Government Makes Draft Election Law Public	7
Text of Law [AL-WAFD 20 Sep]	7
AL-WAFD Commentary [AL-WAFD 20 Sep]	9
Opposition Parties Discuss ACC Future [AL-AHRAM AL-DUWALI 8 Sep]	10
Analysis, Views on Expected Elections Expressed	11
Three Parties Court Nasserists [AL-AHRAM AL-DUWALI 15 Sep]	11
Opposition Party Views [AL-AHRAM AL-DUWALI 15 Sep]	13
Khalid 'Abd-al-Nasir Is Not NPUG Candidate [AL-AHRAM AL-DUWALI 15 Sep]	14
Muslim Brotherhood Position [AL-AHRAM AL-DUWALI 15 Sep]	15
Liberal Party Chairman Opinions [AL-AHRAM AL-DUWALI 15 Sep]	15
Somali Minister Requests Irrigation Experts From Egypt [AL-AHRAM AL-DUWALI 17 Oct]	15
Bankers, Lawyers View Use of Confidential Bank Accounts [AL-AHRAM AL-DUWALI 21 Sep] ..	15
Bankers, Economists Suggest Expatriate Deposit Incentives [AL-WAFD 10 Sep]	18
Small Industries Seen Vital to Economic Growth [AL-WAFD 1 Oct]	20
Agricultural Land Reportedly Ready for Returnees [AL-AHRAM AL-DUWALI 20 Sep]	21

ISRAEL

David Levi Interviewed on Washington Visit [YEDI'OT AHARONOT (Weekend supplement) 14 Sep]	24
Weapons Sales to Saudi Arabia, Security Discussed [MA'ARIV 12 Sep]	26
Changes in Intifadah Noted in Nabulus [MA'ARIV 7 Sep]	27
Rafa'el Eytan on Territorial Security Issues [MA'ARIV 12 Sep]	30

KUWAIT

Work of Government in Exile Profiled [London AL-MAJALLAH 4 Sep]	30
Government Will Guarantee Current Bank Accounts [London AL-SHARQ AL-AWSAT 4 Sep]	32
University President on First Month of Occupation [London AL-SHARQ AL-AWSAT 1 Sep]	33

LEBANON

Lebanese Forces Deputy Commander Interviewed [AL-NAHAR 4, 5 Sep]	33
--	----

MOROCCO

- Government Turns Attention to Oil Shale Extraction [London AL-SHARQ AL-AWSAT] 38

SUDAN

- Writer Denounces Al-Bashir's Gulf Position [London AL-SHARQ AL-AWSAT 9 Sep] 39
Durra Shortfall Reportedly Threatens Famine [Cairo ROSE AL-YUSUF 10 Sep] 39

SOUTH ASIA

INDIA

- Commentary Criticizes Outcome, Concept of Reservation [JANSATTA 3 Sep] 41

IRAN

- Use of 'Fictitious' Name for Persian Gulf Deplored [ABRAR 6 Sep] 41
Handicrafts To Be Shipped to Western Countries Soon [ABRAR 26 Aug] 42
Companies Under Mellat Bank To Be Moved to Private Sector [RESALAT 6 Sep] 42
Activities of Reconstruction Jihad in Villages Detailed [RESALAT 6 Sep] 44
New Policies Planned To Improve Non-Oil Exports [ABRAR 5 Sep] 46

PAKISTAN

- Editorial Questions Jatoi's Political Moves [VIEWPOINT 6 Sep] 47
Commentary Calls for 'Sense of Direction' in Politics [DAWN 25 Sep] 47
Lack of Dynamism, Neutrality Said To Mark Interim Period [VIEWPOINT 20 Sep] 49
Political Turncoats Said Making Elections 'A Farce' [THE MUSLIM 15 Sep] 50
Charge of Army Role in Bhutto's Ouster Refuted [DAWN 13 Sep] 51
Editorial: Process of Accountability Vilified by War of Words [THE NATION 20 Sep] 52
Editorial Urges Muslim League To Mend Internal Disarray [VIEWPOINT 21 Sep] 53
Editorial Criticizes Political Patronage of Secessionists [VIEWPOINT 21 Sep] 53
Commentary Laments Women's Poor Parliamentary Representation [THE MUSLIM 14 Sep] 53
Editorial: Pakistan 'Cannot Afford' Absence of Democracy [THE MUSLIM 14 Sep] 55
Article Details Debt Commitments [VIEWPOINT 20 Sep] 56
Energy Conservation Viewed, Strategy Recommended [DAWN 13 Sep] 56

REGIONAL AFFAIRS

Kuwait Agrees To Compensate Egyptian Workers for Losses

91P40011A Cairo AL-AHRAM AL-DUWALI in Arabic
11 Oct 90 p 1

[Text] An agreement with the Kuwaitis has been reached by which the Kuwaiti Government will pay a provisional remuneration of \$50 million to [Egyptian] returnees. [The amount of] \$1,200 will be paid as a provisional compensation for one who had worked [in Kuwait] either with the [Kuwaiti] Government, the public sector or the private sector. Payment will be based upon presenting a document to prove that the worker was in the state of Kuwait until 2 August [1990], i.e., the date of the invasion. Such a document would be a passport, a Kuwaiti work identification card or work permit, or a labor contract. The worker would receive an order of payment from the bank a week after submitting the document.

The ministerial committee for following up on the returnees' condition, in its meeting yesterday chaired by Dr. Kamal al-Janzuri, deputy prime minister and minister of planning, reviewed the efforts of the Ministry of Manpower and Training and of the Labor Federation in claiming the rights of the returnees.

Chadli Klibi's Resignation Discussed

Iraq's Pressures for Resignation

90 10322A London AL-SHARQ AL-AWSAT in Arabic
5 Sep 90 p 4

[Article: "Resignation Proof of Pressures Imposed by Iraq; Will Not Affect Return of League's Headquarters to Cairo"]

[Text] The sudden decision by Arab League Secretary General Chadli Klibi to resign his post has caused widespread reactions within Egyptian political and legal circles, especially since its timing was unexpected. Moreover, it came at a stage when Klibi was tasked with considering the matter with the Arab League, which had not clearly defined its position vis-a-vis the Iraqi invasion of Kuwait.

These observers point out that history has repeated itself. Eleven years ago, Mahmud Riyad, the Arab League's former secretary general, submitted his resignation as a result of the resolutions issued by the Baghdad summit in 1979, under pressure from Iraqi President Saddam Husayn himself.

Dr. Muhammad 'Abd-al-Lah, chairman of the Foreign Relations Committee of the Egyptian Parliament, warned that this is a new plot on the part of the few Arab countries that have gone to the support of Iraq vis-a-vis its invasion of Kuwait and the ouster of Kuwait's legitimate ruling regime. 'Abd-al-Lah stressed the need for

the Arab nations to strive to overcome this unexpected ordeal, and to expedite action, before mutual Arab action under the League's aegis becomes paralyzed, and as a guarantee of earnestness with regard to implementing the resolutions of the recent Cairo summit and of the Arab foreign ministers' conference.

Dr. 'Abd-al-Lah called on the Arab foreign ministers to expedite issuing a resolution concerning this position at their emergency meeting, in order to defuse the crisis before it worsens.

Ambassador Riyad Mu'awwad, first deputy of the Arab and Foreign Affairs Committee of the Egyptian Advisory Council, stated that the Arab countries' overcoming of this crisis would be a victory for the Arab Nation, and a lost opportunity for the Iraqi regime.

Dr. 'A'ishah Ratib, a professor of international law, said that in accordance with the Arab League Charter, the appointment of the Arab League's secretary general must be by at least a two-thirds majority, and that the required legal quorum in such a situation is 14 nations, in view of the recent Yemeni merger. She added that it would be difficult, or rather, impossible, for Iraq to carry out its plot with regard to appointing a League secretary general, in view of its aggressive posture, which is rejected by the majority of Arab nations, even if its goal was to choose a new secretary general from one of the nations that support Iraq's attempts to dominate the Arab League. All the Arab nations are aware of this goal. Dr. Ratib pointed out that any two nations have the right to request an emergency league session, in order to select the secretary general.

Another observer said that Chadli Klibi's decision to resign could not block the return of the Arab League headquarters to Cairo. According to the provisions of the Arab League Charter, the most senior of the secretary general's assistants assumes this post temporarily and, of course, the secretary general's resignation will be submitted to the Arab foreign ministers at their next meeting.

Al-Dali [as published] expressed his belief that this decision was one of the attempts by the Arab nations that are trying to support Iraq in its position of opposing the league's return to its legal headquarters in Cairo. It is a natural result of the opposition of certain nations, including Tunisia, to the recent resolutions of the Arab League Council. He pointed out that although it was customary to choose the secretary general from the country where it was headquartered, which has been done on three previous occasions, the charter did not contain any proviso in that regard. The Arab nations could agree to designate someone to assume the task of succeeding Chadli Klibi.

Dr. Yahya al-Jamal, a professor of international law, expressed his surprise at Klibi's unexpected resignation, which came at a time when many questions are being asked about the Arab situation. He expressed his belief that the reason for the resignation might be found in

Klibi's private views, which differ from Tunisia's point of view vis-a-vis the Gulf incidents. Al-Jamal thinks that the appointment of a new secretary general will not be difficult, especially since a meeting of the Arab League Council will be held in Cairo within a few days.

'Atif al-Banna, professor of international law in Cairo University, believes that Chadli Klibi's resignation has confirmed the dimensions of a plot aimed at foiling Arab action during this stage, which would necessitate ending those attempts that Iraq and the PLO are leading against Egypt. Their hopes would be dashed as a result of the unanimity of the rest of the Arab nations with regard to implementation of the Arab League Council's resolution last March, which decided to return the league to its permanent headquarters in Cairo. Moreover, certain Arab quarters, with Tunisia foremost among them, have failed in all their previous maneuvers to abort this decision.

Dr. al-Sayyid Isma'il, a professor of international law, stated that Chadli Klibi's resignation from his post had no connection with the league's move to Cairo. He said that the secretary general of any Arab or international organization is only the chief of the administrative bureau of that organization, and has no legal or political capacity with regard to the Arab League's membership. He called on all the Arab states to foil the plot being perpetrated by Saddam Husayn personally, and the nations that follow in his wake.

Law professor Dr. Fawziyah 'Abd-al-Sattar declared that Iraqi President Saddam Husayn, along with Tunisian President Zine El-Abidine Ben 'Ali and Yasir Arafat, head of the state of Palestine, are dishonoring themselves by this plot, which is aimed at striking at the Arab Nation. She warned about the consequence of the Arab countries' silence with regard to this plot.

Yasin Sarraj-al-Din, head of the Wafd Party's parliamentary group, expressed his regret that Secretary General Chadli Klibi is taking this step, when the Arab situation is at its most dangerous and critical stage following the Iraqi invasion. He added that it is not unlikely that Klibi might have been forced to resign, as a result of sudden pressures on him from his government, Iraq, and the PLO. Sarraj-al-Din went on to say: "Any Arab party errs in thinking that this action might postpone the league's return to Egypt. This is a matter that was decided by Arab unanimity, and it would be difficult to back away from it, or to reconsider it, according to the provisions of the charter."

Resignation Related to Gulf Crisis

90AA0322B Cairo AL-AHRAM AL-DUWALI in Arabic
5 Sep 90 p 6

[Article by Ahmad Nafi: "Gulf Crisis...and Klibi's Resignation"]

[Text] New complications have arisen in connection with the Gulf crisis, with the sudden resignation

announced by Chadli Klibi, the fourth secretary general of the Arab League. He had been in his post for 11 consecutive years, and his third term still had about three and one-half years to run.

The resignation's circumstances and timing has led to various conjectures, despite the terse official statement, presented by Tunisian television in its announcement of the resignation. It said that profound differences within the Arab League over the Gulf crisis was the reason behind Chadli Klibi's sudden decision.

The conjectures, which have been circulated by certain news agencies, have embraced various trends. One of these that is being frequently repeated states that the reason for the resignation was the heated criticisms directed at Klibi by certain Arab foreign ministers over his position with regard to dealing with the crisis, and his allegations that he was unable to contact certain Arab nations in order to define their positions vis-a-vis the resolutions of the emergency summit in Cairo. Another school of thought is that Chadli Klibi decided to resign, when the Arab League Council decided last March to return the secretariat general to its permanent headquarters in Cairo. Still another conjecture being bruited about is that the resignation was in harmony with Tunisia's ambiguous position vis-a-vis the Iraqi invasion of Kuwait, and its boycotts of the emergency summit conference and the recent emergency meeting of the Arab League Council.

There are many who think that the resignation comes as a result of Iraqi pressures revealed by Iraqi Foreign Minister Tariq 'Aziz, when he said—contrary to the truth—that the resolutions adopted at the emergency summit against the Iraqi occupation of Kuwait were illegal, because they were adopted by a majority and not unanimously. The Iraqi foreign minister has forgotten that the principle of adopting resolutions is by majority, and that unanimity is not required, except in the event of disciplinary measures adopted against a league member. The summit has not yet taken any measures against Iraq.

It is evident from analyzing these conjectures that they contain a great deal of deception. The reasons for the resignation should be confined within the framework that Chadli Klibi sensed that the general Arab climate was no longer propitious for the continuation of his work. This is connected in turn with the attempts of certain countries to block progress toward implementing the Arab summit resolutions. The first conjecture emerged in the rumor that Klibi had been subjected to attack at the recent emergency meeting of the Arab League Council. It was confirmed that certain countries demanded that the secretary general, in commenting on his report, question those nations, which had reservations concerning the summit resolution, about their views vis-a-vis the third and fourth paragraphs. Those paragraphs pertain to condemning the invasion and demanding the restoration of the legitimate government. One of the countries offered a proposal to amend the mission of the Arab League secretary general, requesting

him to send new messages to the Arab nations, in the context of being anxious for solidarity, asking them to define their positions vis-a-vis those two paragraphs. The secretary general accepted this task, which means that he did not oppose it.

With regard to the rumor that the resignation was aimed at derailing the secretariat general's return to Cairo, in accordance with Tariq Aziz's threats, the answer is that the question of the return has been concluded. This was done by applying the resolution of the 93rd session of the Arab League Council, which was held last March. Resolution No. 4983 was passed unanimously, and stipulates that the final notice with regard to the secretariat general's return to its permanent headquarters in Cairo would be issued at the September session. It was decided at the League Council's recent meeting, with the approval of 13 nations, to hold an emergency session on 10 September to announce the return. This is a valid meeting, and Klibi's resignation will not change its being held on schedule.

It has been as good as confirmed that Egypt will ask those Arab nations, which represent the majority, to support moving the secretariat general at once, without waiting, in view of the circumstances that require joint action. This is necessary because the majority insists on implementing the Arab solution to the Gulf crisis, i.e., the withdrawal of the Iraqi forces from Kuwait and the restoration of the legitimate government, as a means for negotiation within the Arab League framework, in order to solve the disputes that exist between Kuwait and Iraq.

It cannot yet be determined whether Chadli Klibi will attend the Arab League's emergency meeting, until a decision is made vis-a-vis his resignation. This is necessary with regard to an Arab official, who has been in his post for 11 years. On the other hand, he may be content to submit the matter to the Arab states, to have them decide as they wish.

It is evident that the question of selecting a new Arab League secretary general, in the event Chadli Klibi's resignation is accepted, will be a first order of business when the League Council convenes. According to law, without the request of two-thirds of the council members to approve the addition of a new item on the League Council's emergency meeting agenda next Monday in Cairo, it will be necessary for the secretariat general to begin today to notify the member states that the secretary general's post is vacant, so that they can submit their nominations in this regard.

The appointment of the secretary general requires that he be elected from among the nominees by a majority of two-thirds of the League Council members (14 nations). It is stipulated by the charter that a two-thirds majority must be obtained to elect the secretary general and to amend the Arab League Charter.

Therefore, despite the fact that the resignation came in the midst of complex Arab circumstances, it will not obstruct joint Arab action within the Arab League for the near term.

Syrian Official Interviewed on Mubarak, Shamir

90AE0276A Tel Aviv YEDI'OT AHARONOT in Hebrew
20 Jul 90 p 11

[Interview with senior official from Syrian President al-Asad's entourage by correspondent Smadar Peri; in Alexandria, date not given]

[Text] "As far as I am concerned, let Israel be worried about the possibility that the presidents of Egypt and Syria isolated themselves this week in order to prepare the next war against it. It deserves this." The speaker is a senior member of the entourage of Syrian President al-Asad, who visited Egypt this week.

The man, who holds an very influential position in Damascus, willingly granted my request to interview him for an Israeli newspaper. We conducted two lengthy conversations in Alexandria.

The first part of the conversation took place before a large circle of curious observers, who followed us from afar. From time to time, someone took pains to send us cups of black coffee. The second conversation was conducted by telephone late at night. My Syrian conversationalist made the conversation contingent upon a commitment on my part that his identity would not be revealed.

[Smadar Peri] A few moments ago, you sat with the members of the Syrian delegation. I approached you, presented myself, and you immediately invited me to join you. Within minutes, all those sitting at the table had disappeared. Don't you fear that harm will be done to you when it becomes known that you spoke with an Israeli journalist?

[Official] It interests me to speak with you. I am curious to hear, for example, what people in Israel think of President al-Asad. I admit that we do not have many opportunities to hear first hand what the Israeli citizen thinks of us.

[Peri] Why is it important for you to know that?

[Official] It appears that I must make myself clear. It would not be correct to interpret our conversation, while I permit myself to sit with you in front of everyone, as if tomorrow or the next day we are going toward peace negotiations.

[Peri] President al-Asad made sure to tell VIPs who visited him this year and continued to Jerusalem that he is interested in a peace settlement with Israel. This is what he said to former President Carter, as well as to U.S. senators....

[Official] And immediately, there were festivities in your media. Carter just exited Shamir's office, and your newspapers went wild with headlines of peace between Syria and Israel. But we did not like that.

[Peri] We believe that if al-Asad was not interested in transmitting a message of peace to Jerusalem, he would not have said what he did.

[Official] This is true. With President Hafiz al-Asad, every word and every declaration is calculated. Just like with Shamir. One says only what he must say. There are no slips of the tongue.

[Peri] Until now, you have managed to mention Prime Minister Shamir twice. How does he appear in Damascus. What do the Syrians think of him?

[Official] I will present you with two answers: The government of Shamir-Sharon-Arens-Levy appears to us as a catastrophic government. This is a government that will drag the region into a new war, that will cost all of its participants dearly. Shamir appears to us to be stubborn, a cunning politician. Just like you describe our president. Shamir, in our assessment, does not want peace.

[Peri] What is your opinion of Shamir's call to Mubarak to arrange a meeting for him with al-Asad in Egypt?

[Official] We read every word of the interview (that the prime minister granted to the Egyptian weekly "MAYU" four weeks ago), and I am willing to swear that Shamir knew a priori that President al-Asad would not react to the offer. We also knew that Shamir is trying to catch two birds with one sentence: Mubarak and al-Asad.

This is not serious. This declaration was intended to portray Shamir as a seeker of peace to the Americans. But they, too, immediately caught on to the trick. Mubarak did not react to the proposal and was angry about Shamir's exercise. We preferred to ignore it.

[Peri] If so, we are at the starting point. Nothing has changed in Syria. [Official] Not true. President al-Asad of 1990 is not al-Asad of 20 years ago.

[Peri] In what, then, is the change manifested? Granted, your president came this week to reconcile with Mubarak after a lengthy severance due to the peace with Israel, but he passed over Cairo, because of the Israeli embassy located there, and on his airplane were engraved the words "The Sixth of October", to commemorate the Yom Kippur war.

[Official] President al-Asad, like Mubarak, like President Sadat in his time, bears a great deal of respect for the 1973 war. Even Sadat determined that had it not been for the Arab victory in the 1973 war, he could not have allowed himself to come out with the peace initiative.

[Peri] Sadat came to Damascus on the eve of his journey to Jerusalem and offered al-Asad to join him.

[Official] Al-Asad warned Sadat not to make a separate peace with Israel, and he will not repeat Sadat's mistake. On this matter, there is no change with us. There will not be a separate peace between Syria and Israel.

[Peri] If so, then what has changed with you?

[Official] I will answer you with a question: and what has changed with you? The entire world is undergoing incredible processes of political and social changes. And what is happening in the government of Israel? Nothing. You are petrified rocks, you refuse to change. Believe me, the path has been opened to achieve comprehensive and just peace between Israel and its neighbors, and you are standing still.

[Peri] From the conversations that took place here this week, I learned that Syria is interested in getting the Golan Heights back and in conducting negotiations with Israel only within the framework of an international conference.

[Official] You are correct. But I must expand a bit more: Syria is willing to conduct peace negotiations with Israel on the basis of the principle of "territories for peace". Is this a matter to be valued lightly? We are speaking of negotiations for a peace settlement. However, the negotiations will not commence without an Israeli commitment to withdraw from the Golan Heights. Just as you did in Sinai.

[Peri] Does Syria have a political program that is likely to tempt the government of Israel? It will not be easy in Israel to nullify the law annexing the Golan Heights.

[Official] I know. I can already hear the shouting in your Knesset, and in the government.

[Peri] In the Israeli democracy, it is permissible to argue.

[Official] I have something to say about your democracy. We, in Syria, do not purport to be a democracy. It is no secret that Syria is not a democratic state. But you, I must comment, have a strange democracy. We follow your surveys and public opinion polls, and learn that more than 54 percent are willing to conduct a dialogue with the PLO and attain comprehensive peace.

The Arab world has adopted a resolution to attain peace by peaceful means. The Israeli citizen says "yes", but your government continues to say "no", and does whatever it wants. What kind of democracy is that? You even boast that Israel is the only democracy in the Middle East.

Where is the link between the citizen and its representatives in the administration? Why don't "Peace Now" and the demonstrations of protest have any impact?

I will tell you how your democracy appears: Newspapers may write anything, but your government ultimately does whatever it desires. This is also democracy...

[Peri] Where do you get your information about us?

[Official] Today, it is much easier. There are foreign newspapers; tourists arrive after a visit to Israel, and are spoken with; the television broadcasts mainly the movies on the intifadah, and you can imagine how you appear there. We also listen to your radio broadcasts, mainly the news magazines. Besides, whoever needs to know about you in Syria, knows. The "Israeli enemy" is an existing fact.

I will reveal a secret to you: Within the framework of the Israeli "democracy" care is taken to disrupt our television broadcasts. Check in Israel. We know what the reason is.

[Peri] And perhaps you have learned to know us via the secret meetings taking place, according to the rumors, between our people and your people? [Official] I do not know of such meetings. I wonder what the point is in meeting secretly when President al-Asad repeatedly announces in unequivocal language that Syria will not conduct direct negotiations with Israel. Negotiations between us will be conducted only within the framework of an international conference. We are in no hurry with the Golan Heights. We have waited until now, and we are willing to wait longer.

[Peri] We also have a common enemy: Saddam Husayn is not loved in both Damascus and Jerusalem.

[Official] I have something to say to you on this matter, as well. Israel is portrayed in Syria as always taking care to create an "ugly face" in the image of an Arab leader, in order to make excuses for running away from peace. Once, it was President al-Nasir who was defined in Israel as the "great enemy". Afterward, it was al-Asad's turn and, after him, al-Qadhafi's. Today, the "great enemy" is Saddam Husayn. If you do not decide to change, you will have good reason for real worry.

[Peri] The things that you say represent the official line of Syria. I did not find even one deviation.

[Official] I agree.

[Peri] If so, why do you insist upon hiding? If I print your full name and title, your statements will sound much more credible.

[Official] An Israeli journalist recently jumped on our foreign minister, Faruq al-Shar', and presented a question to him at a press conference in Paris. The publication was very embarrassing. This is not our style. And I have already said: We do not purport to be a democratic state.

PALESTINIAN AFFAIRS

Economic Problems in Gulf May Spur Terrorism

90WR0255Z Tel Aviv YEDI'OT AHARONOT
(Weekend supplement) in Hebrew 14 Sep 90 p 8

[Text] This week Yasir 'Arafat received an S.O.S. call from his people in Qatar. "We are being deported,

within five days we must leave", they told him. The official representatives of the organization were thrown out last week, they said. This week the others' turn came.

The labor contracts of thousands of Palestinians were cancelled. Many were fired. Visas were not renewed.

Like in Qatar, this is the case in all of the countries of the Persian Gulf. Saudi Arabian leaders and the princes of the emirates are furious: 'Arafat dared to bite the hand that fed him for many years, and he is supporting Saddam Husayn. In Saudi Arabia, they no longer want to hear about the PLO. King Fahd refused to grant 'Arafat's request that he look out for the Palestinians. When he ['Arafat] attempted to be received by him [Fahd] once again, he was not permitted to enter the palace. For the third time, the Palestinian leader was slapped in the face and his plane was not permitted to enter Saudi air space at all.

The Palestinians are sitting on suitcases once again. Some are arriving in the territories. Others have begun a long journey of wandering throughout the world.

'Arafat is used to living out of suitcases, to wandering and fleeing from place to place in the world. He fled from Lebanon by the skin of his teeth, and afterward from Syria. He survived the bombing in Tunis. But his Palestinians are not used to wandering. Many of them had settled happily in the Gulf States. Indeed, they were not greatly respected there; very few received citizenship. Nonetheless, their diligence and talent made up for the discrimination. Many of them accumulated a great deal of money.

In Kuwait, where it was reported this week that a cholera epidemic had broken out and that gangs of Asians hungry for bread were roaming the streets, there are between 200 and 300 thousand Palestinians. They have lost everything. The Kuwaiti money in their bank accounts has turned into a pile of worthless paper. The Iraqis robbed their gold. There is nobody to pay the huge salaries. Thousands have fled. Some have arrived in Jordan. Some have arrived in the West Bank. They are waiting for better days which many fear have gone and will no longer return. The Palestinian businessman in Kuwait, the clerk, the teacher, the engineer, turned overnight into an Iraqi citizen devoid of property and devoid of rights.

'Arafat is certainly losing sleep over the troubles of his people, but there is something else, no less severe, that is not giving him rest. The fat Palestinian wallet is shrinking every day. Iraq's invasion of Kuwait is, for 'Arafat, a terrible economic holocaust.

From the hundreds of thousands of Palestinian wage-earners in the Gulf states (as well as other states), a tax for the PLO was collected each month at the rate of seven and a half percent. The states would transfer the tax, which totalled very respectable amounts, in a concentrated manner to the PLO treasury. Every salaried

worker was obligated to transfer money to the organization, whether he wanted to or not. Now the situation has changed. In Kuwait, there is nobody to pay salaries. In the other Gulf states, Palestinians are being fired en masse. And, worst of all from the perspective of the PLO: starting last month, the Gulf states stopped transferring to the PLO the taxes of Palestinians who are still working.

But this is only part of the PLO's economic holocaust. The contributions of the Gulf states have also ceased. Saudi Arabia had transferred 75 million dollars each year to the PLO. The emirates had transferred an additional 25 million. In addition, they had transferred directly to the territories the amount of 25 million dollars annually. But no more.

The PLO prepared for this difficult moment. 'Arafat, who is the only person authorized to sign for all of the PLO's millions, prepared monetary reserves for an emergency for himself. It is not known how much money is involved, but apparently it is not a small sum. But even if the balances in the Palestinian treasury are large, the soldiers in the field are already feeling distress.

The tens of thousands of Palestinian fighters in Lebanon are not volunteers. They all live and maintain their families from the salaries that the PLO pays. At this very time, an order has been given to cut their salaries. Not only will the fighters' salaries be cut, but also the expenses of the various activists. No more five star hotels and luxury suites in the "Intercontinental" in Geneva. Austerity approaches. Yasir 'Arafat will now have to control his group of aides who live the life of luxury and waste his money.

The loss of funds and places of employment set off several processes that had already begun with the Palestinians, and which have accelerated other processes that had begun prior to the crisis.

First of all, the importance of the territories has increased. In the wake of the economic holocaust, residents of the territories will have to rely more on Israel and less upon foreign sources. If, during the past ten years, the residents of the territories relied on foreign funds, they will now have to be helped more and more by Israel. The paradox is that they now feel that the most stable ground under the Palestinians throughout the world lies within the territories.

The second process is the breach. An increasingly widening rift has emerged between Iraq and its supporters and abettors, and the remainder of the Arab world. This rupture must find its expression among the Palestinians, as well. For the Egyptians, 'Arafat is now loathsome. The Arab world is a world of wandering sands and anything can happen, but, for now, 'Arafat is on the outside.

There are those who claim that the Egyptians, with the assistance of their embassy in Tel Aviv, are already preparing Palestinian candidates from the territories as

possible partners for independent negotiations. Ambassador Basyouni knows very well who the Palestinians are in the territories who betrayed him. Now he must start from the beginning, and the job is not simple. Mubarak needs "his Palestinians" and, among other things, the ambassador here must supply them to him.

Another process, extremely dangerous from Israel's perspective, is the return of 'Arafat's Fatah to terrorism.

While this process began even prior to the Iraqi invasion of Kuwait, this gave it a significant push. 'Arafat's "striking units" have been on alert in Europe for some time in terms of attacks against Israeli and American targets. The person stopping them from acting in the interim is Saddam Husayn. Fearing that any issue could give the Americans an excuse to attack him, Saddam Husayn warned 'Arafat not to be foolish and to leave his people in Europe in the underground, at this stage.

Three primary mechanisms of attack are available to 'Arafat, whose people are now working on them with full force: the "western sector" mechanism, headed by Ha'il 'Abd el Hamid, active primarily against the West Bank; the "wadi force", headed by Mahmud 'Abd el Hamid Laviv, called "colonel of the wadi", now active in the preparation of attacks in Europe and in Israel itself; and "Force 17", under the command of Mahmoud el Natour - "Abu Taib".

Their primary objectives, as they have appeared, are attacks against Israel and immigration from the Soviet Union. An additional objective is the organization of attacks in the center of the state by employing Israeli Arabs. Defense elements estimate that we are in the throes of a PLO endeavor to commit terrorist actions in the heart of Israel, as well as preparation for terrorist actions against Israeli elements in Western Europe.

Saddam Husayn is also preparing Palestinian organizations under his control for attacks. These are headed by the organization of Abu el-'Abas, as well as two small but professional and dangerous organizations: the "May 15" organization, headed by Abu-Ibrahim, and the "Special Command", the Salim Abu-Salim faction. These two organizations are the best in downing airplanes in the terrorist market. Saddam Husayn has also called upon Ahmad Jibril and George Habash for help. At this stage, they are all holding their fire, following Saddam's instruction.

EGYPT

SLP Members Reportedly Resign Over Pro-Iraqi Stance

91P40010A London AL-SHARQ AL-AWSAT
in Arabic 1 Oct 90 p 4

[Text] Cairo, AL-SHARQ AL-AWSAT—Many Socialist Labor Party [SLP] members, headed by Engineer Ibrahim Shukri, have begun to make collective decisions to resign from the party after the lapse of the deadline

that they had set for the chairman of the party to renounce his position supporting Iraq's aggression against and occupation of Kuwait.

AL-SHARQ AL-AWSAT has learned that the supreme committee of the party recently received more than 250 letters of final resignation from membership in the party. [These members] had refused to hold consultations or meetings with the party chairman until this position changed. This happened after they announced that they were freezing their membership in the party for two weeks.

Official sources in the SLP mentioned that a large number of the party's members in the governorates are in the process of resigning prior to the participation of the party in the new parliamentary elections.

The members who resigned from the party had resolved that the present party leadership position of supporting Iraq had removed [the party] from its simpler Islamic and Arab bases and had totally contradicted the position of the party's masses.

Those who resigned announced a need to investigate this leadership, which had deviated from the clear pan-Arab line of Egypt and from its position, which had condemned the illegality of Iraq's invasion of Kuwait, and especially since it contradicts [the leadership's] previous motivating principle against Israel's occupation of the Arab territories.

All of them announced their total support for the domestic [as published] policy which the Egyptian political leadership had pursued toward the Gulf crisis.

Government Makes Draft Election Law Public

Text of Law

91AA0019A Cairo AL-WAFD in Arabic 20 Sep 90 p 3

[Article: "AL-WAFD Publishes Exclusively Text of New Draft Election Law; Integrity of Coming Elections Hangs Around 'Neck' of New Law; Ministry of Interior Monopolizes Supervision and Management of Elections; Voter Lists Still Contain Names of Dead, Emigrants"]

[Text] After perusing the constitution, Law No. 73 of 1956 on the exercise of political rights, Law No. 38 of 1972 concerning the People's Assembly, Law No. 43 of 1979 concerning local government, and Law No. 120 of 1980 concerning the Consultative Assembly, after perusing the Council of Ministers' approval, and in accordance with what the State Council has determined, the president of the republic has established the following law:

Article 1:

The provisions of article 1, paragraph 3, of articles 24 and 29, paragraphs 1 and 3, article 34, paragraph 1, and articles 36, 37, 40, 42, 43, 44, 45, and 47 of Law No. 73

of 1956 regulating the exercise of political rights shall be replaced by the following provisions:

Article 1, paragraph 1:

Every Egyptian who has reached the age of 18 may personally exercise the following political rights:

1. Vote in every referendum conducted in accordance with the provisions of the constitution.
2. Vote in the referendum conducted on the presidency.
3. Elect members of the People's and Consultative Assemblies.
4. Elect members of the local people's councils.

Article 24:

The minister of interior shall determine the number of the main, general, and branch committees where the referendum and election processes take place and shall set the location of their offices. Each of these committees shall be formed of a chairman and of no less than two members. A secretary shall be appointed to each committee.

In all cases, the chairmen of the main and general committees shall be appointed from among members of the judiciary. Chairmen of the branch committees shall be appointed from among government or public sector employees. As much as possible, they shall be appointed from among members of the judiciary bodies or legal departments of the state agencies or of the public sector. Committee secretaries shall be selected from among government or public sector employees.

Members of the judiciary bodies shall be selected on a decree by the minister of justice, with the approval of the Judiciary Authorities' Supreme Council. As for others, they may be selected with the approval of the authorities they follow.

A decree shall be issued by the minister of interior forming the main, general, and branch committees and appointing their secretaries. In all cases, the decree issued to form these committees shall determine who replaces the chairman in case of his absence or when there is an excuse to prevent him from working. In case of a referendum, the committee chairman shall select committee members from among voters who can read and write and who are registered in the voter list for the jurisdiction in which the committee office exists.

The main and general committees shall supervise the balloting process to ensure that it proceeds in accordance with the law. The (voting) process shall be supervised by the branch committees.

In the case of election for membership of the People's and Consultative Assemblies, each candidate may authorize a voting member within the general committee's sphere to represent him in the same committee and a voting member whose name is included in the branch

committee's voter list to represent him in the same branch committee. The candidate shall notify the committee chairman of his decision in writing on the day prior to the election. If half an hour passes on the time set for starting the election process without the presence of two authorized representatives, the committee chairman shall complete the number from among voters present who can read and write and whose names are registered within the committee's jurisdiction, as already stated. Should the number of representatives exceed six and should it be impossible for the candidates to agree on them, the committee chairman shall draw the required number from among the present representatives by lot.

Every candidate may also authorize a voter residing in the same election district to represent him before every main, general, or branch election committee. This representative shall have the right to enter the committee during the voting process and to ask the committee chairman to include any observations that may occur to him in the session minutes. The representative may not enter the voting hall under any other circumstance. It is enough for the authorization to be approved by an administrative authority. The approval shall be given free of charge, even if the authorization is submitted to an agency specialized in authenticating signatures. The representative or agent may not be a village chief or mayor, even if he is suspended.

Article 29, paragraph 1:

In selecting a candidate for election, in voting on an issue in a referendum, or in voting in a referendum on the presidency, a mark must be made on the card prepared for the purpose.

Article 29, paragraph 3:

To ensure the confidentiality of an election or of a referendum, the ballots shall be prepared in such a way as to couple each candidate's name or an issue raised in a referendum with a certain color or symbol determined by the minister of interior.

Article 34, paragraph 1:

The chairman of a branch committee shall announce the termination of a balloting process when the time for the purpose arrives. The boxes containing the election or referendum ballots shall be sealed and the committee chairman shall deliver them to the general committee chairman to be counted by the counting committee formed from the general committee chairman as its head and from the chairmen of the branch committees as members. The counting committee's secretariat shall be assumed by the general committee's secretary. Every candidate may authorize a representative to be present with the counting committee in the district in which he has run for election.

Article 36:

The general committee chairman shall announce the outcome of the referendum or election and the number of votes each candidate has obtained in his district. The committee chairman and all the committee members shall sign during the session two copies of the session minutes. One copy, along with the all election or referendum ballots, shall be sent to the minister of interior directly within 3 days of the date of the session. The second copy shall be retained at the security directorate headquarters.

Article 37:

The general outcome of an election or a referendum shall be announced by a decree from the minister of interior within three days from the time he receives the minutes of the election or referendum committees.

Article 40:

A prison term and a fine of no more than 200 pounds or one of the two penalties shall be imposed on:

First, whoever intentionally registers his name or omits it from the voter lists or whoever intentionally fails to register or omit any name in violation of the provisions of this law. Second, whoever manages to register his name or the name of any other person when he knows that he or the other person does not meet the conditions required of a voter, as well as whoever manages to omit a name in the abovementioned manner.

Article 42:

Whoever spreads or publishes false statements about the referendum issue or about the conduct or ethics of a candidate with the purpose of influencing the outcome of the referendum or election and whoever spreads false reports for this purpose shall be penalized with a prison term of no more than one year or with a fine of no more than 200 pounds.

If the statements or reports are spread at a time when the voters cannot verify the truth, the penalty shall be doubled.

This shall be done without undermining any stricter penalty stipulated by the law.

Article 43:

A fine of no more than 100 pounds shall be levied on:

First, whoever enters the election hall at the time of an election or of a referendum while carrying a weapon of any kind.

Second, whoever enters an election hall at the time of an election or a referendum without being entitled to such entry and fails to depart when ordered to do so by the chairman.

Article 44:

A prison term or a fine or both penalties shall be imposed on:

First, whoever votes in an election or a referendum while knowing that his name has been unjustifiably included in the voter list.

Second, whoever votes under an assumed name.

Third, whoever votes in the same election or referendum more than once.

Article 45:

A prison term of no less than six months or a fine of no more than 200 pounds shall be imposed on whoever steals, conceals, destroys, or damages a voter list, an election or referendum ballot, or any other paper connected with the election or referendum process and on whoever alters the outcome of the process through any other means with the purpose of altering the true outcome of the election or referendum or with the purpose of making it necessary to hold the election or referendum anew.

Article 47:

A prison term of no less than one year, instead of six months, shall be imposed on whoever commits one of the crimes stipulated in articles 45 and 46 if the perpetrator is an official who is connected with the election or referendum process.

Article 2: [as published]

Article 50 of Law No. 73 of 1956 on regulating the exercise of political rights shall be abolished.

Article 3: [as published]

This law shall be published in the Official Gazette and shall go into effect on the day following its publication.

Names of Committee Members Who Took Part in Drafting Law

Dr. Ramzi al-Sha'ir, vice president of 'Ayn Shams University.

Dr. Kamal Abu-al-Majd, a law professor at Cairo University.

Counselor Ahmad Radwan Jum'ah, minister of state for cabinet affairs.

Major General Sami al-Husayn, a Ministry of Interior representative.

Major General Ahmad Radwan, a Ministry of Interior representative.

Attorneys from the Ministry of Justice.

AL-WAFD Commentary

91AA0019B Cairo AL-WAFD in Arabic 20 Sep 90 p 1

[Article by Jamal Badawi: "New Election Law Is Void of Guarantees"]

[Text] I do not think that the government plans to publish the new draft election law which will not help persuade the citizens of the benefit of elections or encourage them to perform their duty. The bill, of which a copy has been leaked, is an exact replica of the law on election by the absolute list, except for the election system, which has been changed to the single district system, and for stiffening the penalties for the crimes of election rigging and tampering. With premeditation and predetermination, the bill has ignored the demands made by the judiciary and by the opposition parties. They have all demanded that control of the Public Elections Department be shifted from the Ministry of Interior to the Ministry of Justice and that the Higher Judiciary Council, chaired by the Appellate Court president, be entrusted with full supervision of the election process from the moment the door of candidacy is opened to the moment the outcome is announced. By the way, the Higher Judiciary Council is completely different from the Judiciary Authorities' Supreme Council mentioned in the new draft law. The opposition has also demanded that the ministries, public departments, and executive authorities connected with the elections observe the decisions made by the judiciary council which is entrusted in particular with making decisions on appointing chairmen of the general and branch committees from among the judiciary authority's members.

The new bill does not include this step which is intended to ensure sound and free election procedures and to reflect the election's true outcome. The decisions to form the committees have continued to be within the minister of interior's jurisdiction. The only thing the bill offers us is this: "The judiciary authorities' members shall be selected on a decree by the minister of justice, with the approval of the Judiciary Authorities' Supreme Council." The bill confines the activity of the judiciary elements to chairmanship of the main and general committees. An odd condition continues to exist in connection with the power to issue the decrees appointing chairmen of the branch committees who direct the election process and who number in the thousands. The draft law entrusts the minister of interior exclusively with the power to make the decision appointing these chairmen and to select them from among state or public sector employees.

The new draft law ignores the opposition's main and fundamental demand of appointing branch committee chairmen from among the judiciary even if this dictated that the election be held over several days. Such a procedure has its precedents in pre-1952 Egypt and is adopted by a number of countries to ensure the probity of elections that are under the direct supervision of elements of the judiciary only. Meanwhile, we content

ourselves with appointing a judge as the head of a general committee in provincial capitals and in districts—a committee which is in charge of 100 branch committees that start operating at the same time! This approach does not allow the principle of judiciary supervision to be implemented and is not compatible with the spirit of article 88 of the constitution which stipulates that elections shall be under the sole supervision of the judiciary.

Moreover, the new amendment does not incorporate any response to the opposition's demand that the process of voter registration be organized, that the civil register bureaus take charge of registering the names of voters who reach the age of 18 without the submission of an application by the voters themselves, and that the bureaus omit the names of the deceased, of emigrants, and of conscripts from the voter lists. Actual practice has shown that voter lists do not reflect the true nature of the voting group. On the one hand, the lists are void of the names of new voters and, on the other hand, they include the names of voters who have lost their eligibility to vote by reason of death or of absenteeism. Therefore, it is essential to tie registration in the voter lists with the civil status register. Furthermore, the draft law contains no penalty of any sort for a civil register official who refuses to deliver a voting card to a citizen who is entitled to such a card. This is a problem experienced by millions of voters who suffer bitterly to get the card, and it is gotten only through favoritism and by those who vote for government candidates only. Those who smell of the odor of opposition are denied this card!

To deal with the phenomenon of tampering with and rigging elections, the legislator has confined himself to a prison-term penalty and has abolished the fine for somebody who votes in the elections when knowing that his name is unjustifiably included in the voter lists, somebody who votes under an assumed name, or somebody who votes more than once [in the same election].

The legislator has dealt with one aspect of failure in the current law, namely article 50 which stipulates that a public or civil lawsuit pursued in connection with the specified crimes of election tampering or rigging shall be dropped upon the lapse of six months from the day the elections outcome is announced. This article was intended to protect veteran counterfeiters and to reassure perpetrators. But the fact that those who order the counterfeiting remain in power for six months is enough to absolve the perpetrator of all accountability. The legislator of the new bill has done well by abolishing this article so that counterfeiters may find no justification to carry out the instructions issued to them with the guarantee of protection after the elections. Perhaps stiffening the penalty for the crimes of tampering, of making threats, and of forgery will lead to curtailing such acts.

But what is more important than the stipulations and the penalties is the general spirit which dominates the election process. Stipulations alone are not enough, and penalties do not deter a criminal in case he is determined to perpetrate the criminal act. But if true intentions to

respect the nation's will prevail and if there is a sincere desire to involve the people in managing their country's affairs, in formulating its laws, and in exercising control over the government, then the counterfeiters and the manipulators will retreat and will find that the theatre is not ready for their chicanery. We will then say that democracy has attained its goal and that the people have liberated themselves from bonds and shackles and have become their own master.

Opposition Parties Discuss ACC Future

90AA0323A AL-AHRAM AL-DUWALI in Arabic
8 Sep 90 p 8

[Article: "Egyptian Parties and Future of Arab Cooperation Council. ACC Between Continuation and Abrogation"]

[Text] As the gulf crisis continues in the wake of the Iraqi army invasion of Kuwait, and in view of the disparate positions on the events adopted by the Arab countries, the Arab Cooperation Council [ACC], Egypt, Yemen, Jordan, and Iraq in particular, the following questions have been raised about the future of this council and the prospects for its survival under the present circumstances that are threatening the security and safety of the entire Arab region.

The strange thing is that all the Egyptian opposition parties believe that it is necessary for the council to continue to function notwithstanding that Iraq has violated all international laws and conventions and Jordan and Yemen have come out in support of Iraq while freezing the council's activities. Meanwhile, the assistant secretary general and the secretary of organization at the National Democratic Party [NDP] believe that there is no justifiable reason for this council to go on because it has not served its purpose and some of its members have failed to comply with its charter that forbids aggression against any other Arab state.

Kamal al-Shazili, assistant secretary general of the NDP and chief of its parliamentary bloc, believes that it is time to take another look at this council that has not fulfilled the role entrusted to it and has outlived its usefulness.

Whereas the ACC is a form without substance, recent events in the gulf have dealt it the death blow. For though it still exists in name, it is finished in fact, especially since aggression by an Arab state against another state is not one of the reasons for its existence.

In contrast, Mustafa Kamal Murad, leader of the Liberal Party, believes that Iraq's action against Kuwait does not detract from the positive aspects of the ACC agreement. He said that the establishment of or entry into the ACC was not done in haste, for, as a positive and sound Arab step in and of itself, it could have had a good impact on the member countries' economies. Just like any sudden incident, events in Iraq were unexpected. He said he does not approve of withdrawal from or the abrogation

of the council because recent conditions will not last for more than a few weeks and will either end in war, not a likely possibility for many reasons, or in an agreement, the most likely possibility.

As for engineer Ibrahim Shukri, leader of the Labor Party, he believes that it is necessary for Egypt to maintain its position in the ACC and that the best thing at this time is to freeze the situation, explaining that he is against any step that could intensify the existing differences because of gulf events.

Nevertheless, he believes that Egypt's participation at the outset in this council was hasty and that the agreement's consideration by the General Assembly was precipitate. The government denied the assembly the ability to amend or add any items: either the agreement is accepted as a whole or is rejected en toto.

He said this does not preclude the existence of some voices that demanded at the time the rejection of this bloc, attributing this stance to logical considerations, and cautioned against the differences that existed between certain member states and other Arab countries in the GCC. But, this did not go beyond criticism for it was approved by all the members save for Justice al-Damrdash who held on to his point of view to the end.

Engineer Ibrahim concluded by saying that he was against any conduct that isolates Egypt from the Arab countries that share membership in this council, and he expressed his hope that the crisis would ease and the situation would be reviewed in a logical fashion in keeping with this council's experience.

From the Grouping Party, Dr. Milad Hannah said: "Egypt's membership in the ACC was a good step at the time, and it was not taken in haste."

He said that there is a conspiracy against Arab unity to the effect that the ACC was a pivot or an alliance used to strike at small, relatively rich countries. But the truth is that Egypt's position underscores the fact that the idea behind this council was not to condone aggression, and, therefore, there is a need for Egypt to maintain its position, for it is the nucleus around which Arab countries meet, especially since it is necessary for these countries to band together vis-a-vis the challenges that are facing them, be they economic or military. The Arab nation can survive only through the unity of its states.

Dr. Milad Hannah added that the current gulf crisis will end in peace or war and relations between Egypt and Iraq will be restored. That is why it is necessary to keep this council while suspending its meetings throughout the crisis. This is provided that the committees continue their work on a technical basis. He said that Egypt's continued membership in this council is more important, particularly in view of the likelihood that should a war break out, the political map in the Asian Arab region will change. But, if a peaceful agreement is achieved,

economic contradictions will be alleviated, consequently creating a major role for this council which Syria may then join.

Mr. 'Ali Salamah, assistant secretary general of the Wafd Party, believes that recent events notwithstanding, the ACC should be retained, saying: "What benefit would we derive by withdrawing from the council, particularly since all the countries of the world are on the way to unification?" He said that current events notwithstanding, we should not be thinking about fragmenting our unity and must devise systems that can guarantee that such events would not recur.

Mr. 'Ali Salamah emphasized that the Iraqi president's latest steps reflect only his personal thinking and not that of the Iraqi people.

Therefore, the Iraqi president's position must not, as a result, lead to the council's downfall, given the hope that the coming days will be better than today, and it might be universally better if internal conditions in all the member countries were to be settled on sound democratic bases. Perhaps these events are the first step toward correcting the course and creating a true union to serve as a nucleus for a comprehensive Arab unity.

Analysis, Views on Expected Elections Expressed

Three Parties Court Nasserists

90AA0328A Cairo AL-AHRAM AL-DUWALI in Arabic
15 Sep 90 p 8

[Article by Ahmad al-Batriq]

[Text] A number of party maneuvers lately have been aimed at attracting the Nasserist current, which recently failed to obtain approval to establish its own party.

A number of meetings were held between the Socialist Labor Party [SLP], headed by Engineer Ibrahim Shukri, and the Nasserist current, headed by Farid 'Abd-al-Karim, resulting in an agreement in principle on coordination between the two groups in the next [election] period. Accordingly, SLP leaders have begun to call on the Nasserists to join the SLP's ranks.

Some SLP leaders have stressed that many Nasserists have actually joined the SLP's ranks, and many more are following suit. Leaders of the National Progressive Unionist Grouping [NPUG] party, which has recently been suffering from internal divisions (some of its leaders requested to freeze their memberships in protest of the party's position on events in the Gulf), have deemed unlikely an agreement or alliance between the Nasserist current and the SLP, which is in the Islamic alliance, inasmuch as the Nasserists are a basic component of the NPUG and an element of the recently announced Socialist Left Front.

In another development, other parties began to again present themselves as products of the July Revolution,

saying that their leaders are from the ranks of true Nasserism or the free officers. They are doing so as a calculated move aimed at exploiting the possibility that the Nasserists-SLP agreement might fail.

Are the Nasserists changing their position regarding alliances? Or does their position on the map of Egypt's party life continue to be uncertain?

Dr. Muhammad Hilmi Murad stated that coordination between the opposition parties in general and the other political currents is extremely important, because there is a good possibility of new elections for the People's Assembly.

He stated that the meetings held between the Nasserists and party leaders do not mean that a new approach will be declared. Rather, the meetings represent an attempt at persuasion under the auspices of the Islamic trend. However, there was some differences of opinion regarding the period of rule of former President Jamal 'Abd-al-Nasir, now deceased.

Nonetheless, SLP deputy Majdi Ahmad Husayn, who is also a member of the SLP's general secretariat, stated that recent contacts between SLP leaders and symbols of the Nasserist current aim to create a formula for an alliance between them, because the SLP is considered to be the closest party to the Nasserists ideologically, and the Nasserists' nationalist ideology is closer to Islamic ideology than to communist or Marxist ideology.

He added that the SLP's invitation to the Nasserists is an opportunity for the Nasserists to become free of the liabilities of communism that have clung to them against their will. Majdi Ahmad Husayn stressed that the Islamic alliance is currently the closest sphere of alliance to the Nasserist current.

He stated that there are really no essential differences between the Nasserists and the Muslim Brothers [MB] that would preclude a meeting between them. Coordination between the SLP and the Nasserist current does not mean that there is thought of abandoning the existing Islamic alliance. Also, an agreement or alliance between the SLP and the Nasserists does not necessarily have to be presented to the MB, because the latter has been a secondary link between the Nasserists and the SLP.

Majdi Ahmad Husayn stated that current contacts with the Nasserist current did not begin only recently, but date back to before the last People's Assembly elections in 1987. The MB does not object to the Nasserists joining the existing alliance sphere. Rather, NPUG leaders are the reason why this alliance has not been completely formed.

He added that an agreement was concluded with Farid 'Abd-al-Karim and all Nasserist leaders, with the understanding that the Nasserists and the SLP would coordinate with each other in the next elections.

The SLP saw a need to invite the Nasserists to join the SLP, especially after the NPUG announced the formation of the so-called Socialist Left Front. According to Majdi Ahmad Husayn, the SLP's invitation to the Nasserists is thus aimed at causing them to change their position on alliances so as to enable them to participate in the next elections under the auspices of the strongest opposition force on the political scene. Majdi Ahmad Husayn criticized the NPUG's declaration of the establishment of its Socialist Left Front. He stated that it cannot be compared to the Islamic alliance, which has a strong presence on the political scene. By joining the alliance, the Nasserists, according to Majdi Ahmad Husayn, render this front devoid of content. Consequently only its name will remain.

The SLP deputy reiterated that the Socialist Left Front does not fill them with rancor, in view of their previous knowledge of its size and power.

Regarding the possibility of a meeting between the leaders of the SLP and the NPUG party, he stated that such a meeting would usually take place under the auspices of meetings that the SLP holds with leaders of other political parties and currents. He added that the only thing that they would call for would be coordination of positions on current events and the current demand for the provision of election guarantees. Majdi Ahmad Husayn denied that the SLP has changed its views. He stated that the party's ideology is not amenable to change or transformation. However, the party's views were perhaps unclear in the past due to shortcomings in the party newspaper with regard to expressing the party's Islamic line. When a correction appeared, the matter appeared as if it were a reverse of the party's views.

He stressed that his party did not, as some say, snub the basic demands advocated by the revolution, especially the need to achieve social justice among individuals in society. He said that Islamic socialism, not the European socialism promoted by others, contains all that favors citizens living in Egypt.

He concluded by stating that the Nasserist sphere contains currents that link Nasserist ideology to Marxism. Such currents must go to the NPUG. As for the currents that link Nasserist ideology to Islam, the SLP is the closest party to them.

He stated that Farid 'Abd-al-Karim, the leader of the Nasserist current, has an undeniably positive attitude toward the Islamic current, especially insofar as he is a primary defender of all of the Islamic currents that were put on trial in the past period.

Nonetheless, Muhammad Fa'iq, a former information minister and a symbol of the Nasserist current, denies the existence of any agreement with the SLP or the Islamic alliance. He said: There are many parties that expect us to ally with them. If there are contacts, they amount to no more than mere consultations regarding the current situation and important political problems in Egypt.

He stressed that the presence of the MB in the SLP alliance precludes cooperating with them in view of the firm positions that the Nasserist current pursues.

NPUG party member Husayn 'Abd-al-Razzaq stated that what is happening now in the SLP arouses attention, especially inasmuch as the SLP is representing itself as the closest force to the Nasserist current and is calling for a type of alliance or coordination with the Nasserists.

He added that the SLP's alteration of its ideological position after each election is causing it to lose its credibility on the political scene. The SLP participated in the 1984 elections. It changed its identity and threw itself into the embrace of the Islamic current, turning its back on socialism and social justice.

Husayn 'Abd-al-Razzaq stated that SLP leaders apparently sensed a difficulty in their position due to the loss of MB support for them in connection with the next elections for the People's Assembly, which will be based on individuals [rather than party lists]. Consequently, the SLP is seeking to ally itself with any other force. This time they chose the Nasserists. It is also rumored that a meeting is to be held between NPUG and SLP leaders. He said that he does not know what the SLP leaders will propose this time, nor what their aims are.

Regarding the NPUG's role in embracing all of the Nasserist currents on the political scene, Husayn 'Abd-al-Razzaq stated that the Nasserists are a basic component of the NPUG party. Moreover, even other Nasserist currents not affiliated with parties view the NPUG as the closest political force to them, because there is an ideological and methodological congruence between the NPUG and these currents, which believe that socialism is a method for engaging in political action.

If SLP leaders have clearly invited the Nasserists to join their party, what is happening in other parties is no less important than what the SLP has disclosed. The expectations of leaders of the Liberal Party are also not devoid of the hope that the Nasserists will come over to them. This is seen in the Liberal Party's emphasis of its status as a product of the July Revolution and the fact that its party chairman was an officer in the July Revolution. It is also reflected in statements by Liberal Party deputy Muhammad Farid Zakariya, to the effect that the Nasserist current cannot be disregarded given its influence, programs, and thinking, that the Liberal party will not stop supporting and coordinating with the Nasserist current, and that the Liberal Party is the only party that has continued to demand the establishment of a party for the Nasserists based on its belief that they are a strong, influential presence on the political scene.

In addition, the Liberal Party is the first to advocate representation for the Nasserists in the secretariat of the opposition parties.

Will the situation remain unchanged? Or will an existing party succeed in embracing the Nasserist current, or at least in forming an alliance with it in the near future?

Opposition Party Views

90AA0328B Cairo AL-AHRAM AL-DUWALI in Arabic
15 Sep 90 p 8

[Text] Many feel that the Egyptian opposition parties are close to issuing a resolution to dissolve the People's Assembly to pave the way for new elections. Also, several party sources have stressed that some National Democratic Party leaders are now advocating the speedy exploitation of the national Egyptian position on the Gulf crisis in the next elections for the People's Assembly if a decision is made to hold elections. However, other members of these parties deem it unlikely that the top political leadership will decide to hold elections, which would not be feasible because of the current circumstances in the Arab region stemming from the Gulf crisis and Iraq's invasion of Kuwait. They describe these circumstances as a state of war that rules out any elections regardless of the motives and the enticements.

'Ali Salamah, the assistant general secretary of the Wafd Party and a member of its parliamentary organization, stated, in evaluating Egyptian parties in the light of recent events, that Egyptian opposition parties, excluding the Wafd, have lost their credibility with the majority of the public on the political scene because of their baffling positions on the Gulf crisis. Consequently, they are unlikely to achieve any gains if elections are held. In general, the exceptional current circumstances and presence of Egyptian forces abroad make elections impossible. Egypt is a partner in one form or another in the Gulf problem. Therefore, the Wafd Party has not taken any organizational measures regarding elections. Quiet envelops most of the secretariats in the districts. The party has not discussed elections in any way that can be construed as actual preparations to enter any possible elections for the People's Assembly.

'Ali Salamah stated that the Wafd Party without doubt has a positive position on the Gulf problem. This position can be described as clear, open, and stemming from the party's long-held belief in siding with the truth, in the sense that it will stand by Kuwait until its legitimate government returns to it.

Because of this position, the cohesion of party ranks has not loosened as happened in other parties. These other parties have experienced schisms, the freezing of memberships, or splits between supporters and dissenters; the cards in these parties have become all mixed up.

Therefore, the Wafd's position was the object of admiration and boasting on the part of the political leadership on the Egyptian scene. I believe that this will be translated into votes if elections are held, although the likelihood of that possibility is very remote.

'Ali Salamah added that the current situation is more serious than everyone imagines. How can we know whether a spark is going to be released that would make

us partners in a battle? How can elections be held during a war. This has never happened before in any country in the world.

He stated that it is impossible for the government to allot its efforts to more than one front. This, at a time when we cannot deny our position on the Gulf issue and its negative effect on the Egyptian economy in general.

The Socialist Labor Party Is Preparing for Elections

In contrast to the Wafd, Socialist Labor Party [SLP] leaders believe that there is a good possibility that a resolution will be issued shortly that calls for a referendum to dissolve the People's Assembly and hold new elections after a while. 'Abd-al-Hamid Barakat, the SLP's secretary of party organizing, stated that there is a feeling that a decision on elections will be made during the second week of next month. Therefore, the SLP is fully engaged in preparations to reckon with the next election campaign.

The SLP has taken into account the possibility of refusal to participate in elections if guarantees are not provided. All opposition parties have called for guarantees before participating in any future elections, inasmuch as the events of the last elections for the Consultative Council are still echoing.

'Abd-al-Hamid Barakat stressed that his party is in close, daily contact with the governorates to select the best candidates according to the criteria that have been established, and to determine the names of party representatives in the elections committees or at vote-sorting sites, so that the party will be fully prepared for any possible elections.

He stated: We are living a normal life despite events in the Gulf. The Egyptian Government is thrusting itself into this conflict. Therefore, our first priorities are do our work and tend to our political formations. However, we truly fear that the president will use his constitutional right pursuant to Article 73 of the constitution, which permits the president to suspend parliamentary life in Egypt. Such a decision could be based on the shadow of recent events in the Gulf region that is enveloping different Egyptian activities.

Regarding the party's position on events in the Gulf and the effects of that position on the party if elections are held soon, Barakat stated that some have frequently mentioned that maintaining a position contrary to the official position might negatively affect the results of the next elections, which the SLP might enter. He added that if elections are held in the next two months, the party's position would be adversely affected. However, as time goes on, and the crisis continues, the soundness of the SLP's position would become clear in the long term, and this would have a positive effect on the party if elections were then held. In general, the SLP expects the next elections to be held in January and February if matters are normal.

The Candidate Is Paramount

Liberal Party Chairman Mustafa Kamil Murad stated that he expects the president to issue a resolution calling voters to a referendum on dissolving the People's Assembly to pave the way for holding elections during the second week of next month. He stated that the severity of the current circumstances does not preclude living a normal life. The Liberal Party began, in general, to prepare for the next round of elections nearly two months ago. More than 150 candidates have actually been selected, because the party is preparing to run its candidates in elections in different districts in the republic.

Mustafa Kamil Murad stated that a nominal alliance exists and is beneficial to all of its parties, although the coordination between the parties that has been mentioned is subject to the circumstances of the elections campaign. He added that recent events in the Gulf region have brought to light some differences between the positions of the Egyptian parties in general, although most of these positions are close to one another with slight differences.

However, these positions will not affect the results of any election that might take place in the near future. I do not believe that the Liberal Party's view will affect the party, negatively or positively. The voters are not looking at the positions of parties in Egypt. They are looking at the persons who are running. Thus, the more the party chooses a position in selecting candidates, the better will be the results that are achieved. The coming days will bear witness to that.

Khalid 'Abd-al-Nasir Is Not NPUG Candidate

90AA0328C Cairo AL-AHRAM AL-DUWALI in Arabic
15 Sep 90 p 8

[Text] Dr. Raf'at al-Sa'id, the secretary of the central committee of the National Progressive Unionist Grouping [NPUG] party, denied rumors circulating within the party that the NPUG is currently occupied with nominating Engineer Khalid 'Abd-al-Nasir in the next parliamentary elections. He stated that no governorate has submitted the names of its candidates to the party to date, and that the party is still discussing the matter in principle and in general. As for the nomination of Khalid 'Abd-al-Nasir, it would confer honor on the party, and he would welcome it. However, the matter has not yet been presented to the NPUG, neither by him nor by any other person.

Regarding attempts by Engineer Ibrahim Shukri, the chairman of the Socialist Labor Party [SLP], to approach the Nasserists, Dr. Raf'at al-Sa'id stated that meetings between the Nasserists and the SLP were actually held, but the rapprochement did not occur. He added that rumors that the next elections will be based on the individual system have placed Eng. Ibrahim Shukri and his party in a dilemma. No list means no alliance. On that basis, Shukri is now searching for allies. Dr. Raf'at

al-Sa'id added that an alliance between Shukri as a middle party and the left would be natural. However, Shukri's alliance with the Muslim Brothers and the role of the AL-SHA'B newspaper has definitively isolated Shukri from the left and its forces.

Dr. Raf'at al-Sa'id stated that the general secretariat has discussed the electoral situation in general and has decided to empower itself to hold two meetings each week, with the understanding that some of the secretaries of the governorates will be invited to discuss the final arrangements for nominations for each governorate separately.

Muslim Brotherhood Position

90AA0328D Cairo AL-AHRAM AL-DUWALI in Arabic
15 Sep 90 p 8

[Text] Justice Muhammad al-Ma'mun, the parliamentary representative of the Muslim Brothers Society, stated that his society has not yet made a final decision regarding whether or not to participate in the next parliamentary elections. In explaining the reasons for not making a decision, he stated that they do not yet know the dimensions that the state could decide regarding these elections and the practice of politics in general. According to him, the state's position on the validity of the Emergencies Law during elections is not yet known. Also, information on the new Elections Law is still meager, and there is talk of rejecting most of the guarantees demanded by the opposition. To summarize, the picture is not clear.

He added that they do not know the date of the referendum to dissolve the People's Assembly. Nothing definite has been announced yet. He stated: We will therefore come to elections that will be conducted, as announced, by means of the individual method. Now, according to the individual electoral system, no clause stipulates affiliation to any one political party as a condition to run. Therefore, there will be no independents or party-affiliated candidates. Rather, each candidate will be known according to his previously known hue and the views that he advocates to the people. These are the factors that will determine the identity of each candidate.

He stated that the issue of independents or an alliance at the time of entering the next elections should not be brought up now, although he stressed that all parties to the alliance have announced their adherence to it. It is expected that a type of cooperation will occur between them, so that they will not compete against each other. He added that his society regards the Socialist Labor Party's invitation to the Nasserists on an Islamic basis, and that if the Nasserists accept this invitation on this basis, there would be no problem, and the matter would be concluded.

Liberal Party Chairman Opinions

90AA0328E Cairo AL-AHRAM AL-DUWALI in Arabic
15 Sep 90 p 8

[Remarks by Mustafa Kamil Murad]

[Text]

- Nothing prevents Egypt from exploiting the current situation in the Gulf crisis to become free from its debts, whether they are defense or nondefense related debts.
- I call for the establishment of an Arab development fund that would be financed by the deduction of only \$2 from the price of each barrel produced in the Arab region.
- Many Arab states have numerous development problems. Others suffer from famines, and others are burdened by debts.
- The sum subtracted will not exceed a fifth of the increase in oil prices that was effected recently.
- The party does not support Iraq's invasion of Kuwait. It seeks not to create an excuse for these events, but to create something of a balance inside the Arab nation, which spares it many domestic and foreign hazards.
- America has forgiven Egypt's defense debts, which exceed \$7 billion, and some European countries are moving toward following suit.
- I now ask, why do the Arab states not forgive Egypt's debts, which do not exceed \$3 billion.
- Western Europe and Japan have sent more than \$3 billion in aid to Egypt, while no other Arab state is attempting to send any aid, despite the current circumstances, which are no secret to anyone.
- We know today the reason for the attack against Kuwait. We do not know what tomorrow will bring if the matter continues as is without a change or without the creation of the desired balance.

Somali Minister Requests Irrigation Experts From Egypt

91P40014A Cairo AL-AHRAM AL-DUWALI in Arabic
17 Oct 90 p 12

[Text] Prior to his departure from Cairo yesterday, Dr. Abd-al-Salam Shaykh Husayn, Somali minister of agriculture, announced that he had requested Dr. Yusuf Wali, deputy prime minister and minister of agriculture and land reclamation, to send Egyptian agronomists to Somalia. [The purpose is] to strengthen the Somali agricultural plan by profiting from Egyptian experience in the field of irrigation. He said that they had discussed setting up a model farm in Somalia to conduct scientific research on agricultural development.

Bankers, Lawyers View Use of Confidential Bank Accounts

90AA0341A Cairo AL-AHRAM AL-DUWALI in Arabic
21 Sep 90 p 13

[Article by Sayyid 'Ali]

[Text] "The conflagration in the gulf has proven that Egypt is a secure, safe country, and that Cairo is the only choice open to Egyptian and Arab capital. Perhaps some

thought that of "secure" and "safe" as mere slogans, until the shock of the Iraqi invasion revealed that Egypt has much to offer—democracy, an army that protects its soil, a constitution that safeguards institutions, and above all, the noble Koran, which invites investors to "enter Egypt God willing in security."

Because capital is cowardly, a draft law on secret bank accounts was being considered several months before the invasion. If the promulgation of such a law was delayed before the invasion, it has now become an urgent need to cope with the movement of Arab capital from the gulf banks.

How does this law achieve that objective?

The Deputy Chairman of the Federation of Banks of Egypt, and the representative of al-Ahli [National] Bank, Mahmud 'Abd-al-'Aziz, states that this topic was brought up months before the crisis, not by the banks, but by the highest political levels, with the goal of strengthening the immunity and protection that bank accounts should enjoy. It is fair to say that the banks currently enjoy the confidentiality of bank accounts. The breaching of this confidentiality, or the provision of any information on accounts, are permitted only according to the law. Confidential information can only be provided to official agencies or individuals legally entitled to examine accounts. However, these official agencies are many, and they differ with respect to levels of competency, which requires the development of many regulations and immunities.

I asked: What is the difference between the confidentiality of accounts and secret accounts?

He stated: The confidentiality of accounts is the universal custom of protecting patrons' accounts from being examined by unauthorized persons. Authorized persons would be the client's representatives and authorized agencies within the bank. That is a prime example of the confidentiality of accounts, which is sometimes breached by the intervention of regulatory and control agencies that have the right of judicial sequestration. Secret accounts entail a completely different system based on the opening of accounts that are designated with numbers and codes without mention of the account-holder's name. The bank has a special secret file containing the account-holders' names. Only one official may examine or disclose the contents of this file, and then, under a regime of strict controls to ensure confidentiality. Even the agencies of a bank, aside from this official, cannot know anything about the account-holder except the number. Moreover, some systems permit this official to know only a part of the account code to make it impossible for any individual to disclose the name of the account-holder to anyone!

I asked him: However, does not this system encourage the possession of illegal funds?

He stated: Let us be realistic. Illegal funds exist. Monetary and banking freedoms in Egypt guarantee the

transfer of funds to any place in the world. As for one who lacks legality, legality applies to the holder of the funds, not to the funds themselves. In general, by all criteria, the deposit of funds in banks, even if done secretly, is preferable to the transfer of the funds abroad. Money is not a criminal. The holder of illegal funds is a criminal. Funds deposited in the banks benefit society directly and indirectly. They are used in development. If the owner of funds does not use them, society inherits them. Society can benefit from them. Also, the presence of funds in bank accounts prevents them from circulating in illegal activities.

I asked: But are there not banks in Egypt that are exempt from sequestration, supervision, and insurance?

He stated: These terms have been deleted from the Egyptian economic lexicon. They have not infringed upon account-holders for more than 20 years. However, the banks must be subject to the Egyptian judiciary, because judicial proceedings contain protection for everyone, and the banks solicit them as immunity for confidentiality. Here, we must return to natural litigation agencies, facilitate procedures, and get away from the protracted and slow judicial proceedings from which the banks have suffered.

I asked: Do you believe that the confidentiality of accounts is a concomitant of the crisis?

He stated: Yes, it is an important element among other elements. However, it must be accompanied by, or come after, substantial changes in the prevailing climate of economic activity. An inevitable conviction is that it is bitter medicine. There is no alternative to it in the short term. It must be taken so that Egypt can regain its position in the economic forefront.

The Law Has Existed Since 1974

Jamal Tawfiq, the legal advisor of the Abu Dhabi National Bank states:

There are two systems: confidentiality of accounts and banking secrecy. Confidentiality requires the bank to maintain a patron's confidentiality. The penal code holds the bank liable for disclosing a secret, unless the disclosure is based on a legal provision or a judicial request, in which case, the liability is shifted to those entitled by the law to examine bank accounts. Such persons must maintain confidentiality in the same way that a Central Bank inspector, a tax inspector, or the socialist prosecutor does. If they disclose a secret, they are criminally liable, even if they are with the public prosecutor's office. We in Egypt want a bank secrecy law. This is not something new. Amazingly, such a law already exists. It was promulgated by the Egyptian People's Assembly in July 1974 as the law establishing the Arab International Bank. Article 9 of that law states: It is not permitted to take measures to nationalize, sequester, or impose any supervision over sums deposited in the

bank, nor is it permitted to take administrative or judicial measures to sequester such sums. Article 12 stipulates that the bank's documents and records are not subject to Egyptian judicial, administrative, or accounting control and inspection laws. Article 13 states that the accounts of depositors are confidential and may not be examined or sequestered pursuant to judicial and administrative proceedings.

The Egyptian legislator applied this law to the Arab International Bank alone, although the constitution stipulates equality, stating that "any inequality is unconstitutional." Therefore, Jamal Tawfiq advocates applying the Arab International Bank Law to other banks.

Major General Ahmad al-'Adli, the anti-tax evasion chief, states that no agency is permitted to examine the accounts of financiers. Article 144 of Law 107 limits the right to examine bank accounts to Tax Administration employees who have the right of judicial sequestration. However, the new law would give more guarantees to financiers and investors. Maj. Gen. al-'Adli recommends that the impending law on the confidentiality of accounts guarantee the unrestricted movement of accounts, the designation of special judicial bureaus because of the speed with which cases begin, and harsh penalties for violating the confidentiality of accounts.

The Switzerland of the East

Major General Ahmad Fu'ad 'Ata explains the security risks of the law, based on his long experience in National Public Funds Inspection and Controls. He states that under the new law, currency dealers could deposit their funds in secret accounts to promote their business legally, but in a way that would make it difficult for official agencies to monitor their activities. Drug dealers as well would be able to deposit their money in secret accounts, which would be difficult to seize when the dealers are arrested and tried. The same would apply to illegal profiteers. He states that the Unlawful Gain Law will face many difficulties as well regarding the tracking of violators' funds. Nonetheless, we want Egypt to be the Switzerland of the region, because all indicators stress the country's economic, political, and security stability. A secret account law will end the fears of capital by means of judicial controls. He recommends that the Central Bank oversee bank accounts.

Banking information should be obtainable only by order of the Central Bank judge.

Legal Confidentiality

Hasan al-Sharabini, the deputy chief of Public Funds, states that Egypt needs a currency and bank control law that is in keeping with its economic and social conditions. However, he wonders about the meaning of confidentiality, and whether it will be absolute or relative, noting that the promulgation of such a law would entail a need to review other laws regarding illegal gains, taxes, and debt settlement. He states: We want a confidentiality law that is complete, comprehensive, and devoid of

loopholes that could be exploited by either the supervisory and executive agencies that would implement the law, or the holders of secret accounts. We want a law whose merits outweigh its disadvantages.

We Can Endure a Few Negative Aspects

'Abd-al-Hamid Mahmud, the deputy chief of state security, states that the law will help establish a climate of investment confidence. He believes that there is no harm in enduring some negative aspects in exchange for many positive aspects. Amid the advantages, we can also bear some errors and excesses. Confidential accounts alone are not enough. It is necessary to create a good investment climate for employing capital. This requires reviewing all laws governing the investment process and reformulating them in keeping with the nature of the secret accounts law. The important thing is equality between Egyptians and foreigners regarding all rights and regulations pertaining to the use of national capital.

He states: The foundation of any bank account is confidentiality. However, regulating the matter with controls, places more constraints on agencies or individuals. In order for the law to be appropriate, we must neither empty it of its content, nor stipulate exceptions that ultimately apply to all control agencies. In this way, the expected capital can operate freely, far from bureaucratic regulations, and subject to a bare minimum of intervention.

How Is the Capital To Be Invested?

Dr. Husni Hafiz, the chairman of the Investment and Development Bank believes that the main goal of secret accounts is not the commonly understood goal of hiding one's money so that no one knows about it. Rather, the main goal is to give confidence to capital owners. He does not believe that secret accounts will yield a substantial benefit on the national level. Egyptian banks have more than 50 billion Egyptian pounds and 15 billion in hard currency. However, unfortunately, these funds are deposited in free currency in banks abroad to benefit from high interest rates. Therefore, the basic national issue is that the time has now come to develop a strategy and clearly delineated policies for investing these funds in production projects inside Egypt, and to reexamine, with all honesty, the development policies of Egyptian banks and the Investment Law.

Secrecy Alone Will Not Suffice

Secret accounts alone will not suffice to induce the injection of capital into the Egyptian economy states Dr. Hamid al-Sayij, the chairman of the board of directors of the Hong Kong Bank. It is nonetheless a step toward making financing available. Investments must also be facilitated. He calls on the Investment Organization to apply the existing passive system, which gives any investor the right to invest in any field, except some strategic fields determined by the state. He stresses that the confidentiality law was prepared before the [gulf] events, and it is more urgently needed now to encourage,

and give confidence to, Egyptians and Arabs. He believes that fears of this law are unfounded because money cannot err. However, the banks must operate within the framework of legislation, which protects primarily them. Also, the judicial agencies must guarantee that they do so. It is in the banks' interests to accommodate these agencies. It is not in their interest to hide criminals.

Where Is the Sanctity of the Law?

Dr. Fu'ad Hashim, the chairman of the Arab Federal Bank for Development and Investment, believes that confidential accounts are fundamental. However, there are different agencies that have a legal right [to examine accounts], or they impose themselves. We must face reality. Laws are not being fortified by either respect or adequate sanctity. Therefore, we must strip these agencies of the right to carry out covert intrusions, provided that the laws have their sanctity and the ability to protect themselves. The former economy minister fears that the banking situation will be dealt with in a partial and relative manner, because other laws restrict the effectiveness of the new laws or contradict the forthcoming secrecy law. He advocates streamlining and simplifying procedures, establishing some controls on the national level, and making certain that the law is complete, eliminates all exceptions allowed under other laws, and contains practical regulations that make it effective and respected.

Confidentiality Is Fundamental!

Dr. Ahmad Musa, the chairman of the economic committee in the Consultative Council, believes that it is fundamental to prohibit examination of a patron's accounts, except on the basis of a judicial ruling. No control agency may intervene, except the Central Accounts Agency. All other agencies are assumed to have other means and mechanisms. He states that in order to actually prepare the climate to attract capital, some provisions of the Investment Law should be changed, such as the article that stipulates the right of workers in a project to obtain 10 percent of the profits. The Commercial Law also needs amending, because it is obsolete, dating back to the 19th century. In addition, it is necessary to finish determining the public sector's scope of activity and to develop those units slated to remain in the public sector due to their strategic importance.

The Confidentiality of Businessmen

The Association of Egyptian Businessmen took the initiative in presenting its view after studying the Swiss and English laws. The association believes that the Banks and Credit Law and the Central Bank Law must be amended by incorporating within them provisions that guarantee the confidentiality of bank accounts and prohibit examination of them unless by judicial order. In that way, the confidentiality of Egyptian transactions will flow from the force of law and not merely from a contractual relation between the bank and patron, with the understanding that confidentiality will be extended to include

all information pertaining to the patron. A commitment to confidentiality will thus not be limited to a specific time period. Nor will it end when the patron-bank relation ends, or when the patron dies. The association believes that the law must include penalties for breaching confidentiality and disclosing information, either intentionally or through neglect. Therefore, it is necessary to review all laws related to regulatory and security agencies and bodies entitled to demand information on bank patrons.

The association is of the opinion that banks can be exempted from maintaining confidentiality only by the public prosecutor, or the judiciary in the event of criminal proceedings. In such a case, the patron should be entitled to demand appropriate compensation if it emerges that the information that prompted the issuance of an order permitting a breach of confidentiality was unsound. In addition, banks should not be permitted to give out information on their patrons's accounts to tax authorities directly without the patron's consent or a judicial ruling. The association advocates allowing numbered accounts, whose holders' names would be known to an extremely limited number of bank employees, and would not circulate in the bank or in the general computer.

Generally, we seek legal confidentiality that achieves the legitimate goal of injecting funds into Egypt's economy by mobilizing Egyptian and Arab capital, instead of letting it stray to European banks in search of the security that Egypt enjoys, as events have proven!

Bankers, Economists Suggest Expatriate Deposit Incentives

90AA0330A Cairo AL-WAFD in Arabic 10 Sep 90 p 7

["Fortune! 16.5 Billion Pounds Lost in Kuwait and Iraq. More Billions Abroad Are Threatened. What the Government Can Do To Attract Egyptian Offshore Funds"]

[Excerpt] This is not the first time that we take up the subject of Egyptian offshore savings. We have previously called repeatedly for attracting those savings in order to push forward with development. Economists say that the government, which has moved in several directions towards this objective, must now take immediate steps to develop banking services and restructure the Egyptian economy by enacting world-class laws. This is especially imperative in view of the crisis in the Gulf where billions deposited in Iraqi and Kuwaiti banks have been lost and where tens of billions in additional savings have been deposited in foreign banks by Egyptian expatriates. Only negligible amounts of those funds are transferred to Egypt.

The government has but to listen to economists and businessmen and implement their ideas. Things will be different then.

Reforming the Economic System

Dr. Ahmad Abu-Isma'il, chairman of Bank of Cairo and the Middle East, says that before we discuss the savings issue we must emphasize that Egyptians abroad are justified in not transferring their money to Egypt where the currency is vulnerable to devaluation and interest rates do not keep up with inflation. For instance, the 16 percent interest rate on certificates of deposits is way below the inflation rate of 25 percent, causing savings to steadily decline in value. Egyptians consequently prefer to maintain their savings in a stable foreign currency with a high interest rate and stable values and prices. There is no doubt that we are being negatively impacted by Egypt's high inflation rate. By comparison, inflation is only at 9 percent in England and at 4 percent in Japan.

The Gulf crisis, according to Abu-Isma'il, revealed that billions in Egyptian savings were on deposit with Kuwaiti banks because the Kuwaiti currency was stable and of high value. We can only guess at Egyptian savings in other Arab countries. Gold has also been in demand because it is more stable and is likely to appreciate. This type of demand increases in times of crisis and war.

As to facilities that must be extended to attract customer offshore savings, the chairman of Bank of Cairo and the Middle East believes that it is imperative to reform banking laws, especially with respect to public sector banks in need of independent managements and developed mentalities. He also advocates measures to increase confidence in banks, protect accounts with confidentiality, raise the pound interest rate to world levels, reduce government and public spending, limit borrowing to producing projects, and reform the public sector by turning it into a producing sector. Even more importantly, red tape must be eliminated and procedures so simplified that cash holders would accept to do business with our Egyptian banks.

Amending Economic Acts

Dr. Hazim al-Biblawi, former chairman of the Export Development Bank, believes that economic and legal legislative acts must be re-examined with a view to increased clarity, flexibility, ease of transaction and decision-making, and simplified bank procedures to investors.

He adds: Egypt, in order to attract offshore capital, must provide a climate of stability to reassure both individuals and institutions abroad about the safety and security of their funds. We must also endeavor to raise interest rates, especially when the rate of inflation is high. Such measures can be implemented under conditions such as currently prevail in order to ease the burdens of the Gulf crisis by inducing Egyptian expatriates in other Arab countries to transfer their savings to Egyptian banks.

The banking confidentiality law, if enacted, will hopefully help attract even more capital.

Mustafa Yasin, chairman of Arab African Bank, calls upon the state to remove impediments to tens of million of dollars in offshore Egyptian capital and savings and to allow freedom of investment in Egypt to Egyptians, Arabs, and foreigners alike. It is imperative to reform banking procedures, maintain flexibility, expand the creation of stock companies, and reform investment laws to further reassure capitalists. More importantly, the stock market should be developed in order to be able to attract savings and manage investment projects.

He also calls upon the banks to move with dispatch and contact Egyptians abroad in order to benefit by their offshore savings.

Investment Promotion

The banking system was neither lax nor reluctant to provide all kinds of facilities. We provide superior banking in comparison with many developing nations and even in comparison with some developed ones, according to Dr. Muhammad Rida al-'Adl, professor of economics at 'Ayn Shams University's college of commerce and member of the Nationalist Party's economic committee.

He said: Egyptian citizens anywhere in the world are able to transfer funds to an Egyptian bank since we have about 100 joint commercial banks—not to mention the four public sector banks—which are constantly upgrading services to customers. We have schools in Egypt to graduate senior bankers capable of managing all kinds of banks in Egypt or anywhere else in the world.

There is no doubt that Egyptian banks have attracted more savings in recent years. Statistics on family deposits with commercial banks, which help generate savings in foreign currency from abroad, indicate foreign currency balances amounting to 2.8 billion pounds for a 4 percent rate of growth in FY 1988/89. This accounts for 46 percent of foreign currency deposits on 30 Jun 89. The "investment and business sector" also realized a growth rate amounting to 44 percent of aggregate local currency deposits valued at 7,000 pounds [as published].

Dr. Rida al-'Adl emphasizes that Egyptian banking, whether in the public, private, or joint sectors, is a national sector that never exposed client deposits to risk in any way. It [the banking system] was shaken neither by the 1967 defeat nor during the 1973 war. It is therefore a savings safe haven for Egyptians at home or abroad.

To attract more savings, he calls for developing the stock exchange to match its counterparts in the advanced world. This will help provide the liquidity needed for investment projects since we have not yet completed procedures to facilitate investment in Egypt. We must therefore endeavor to simplify procedures that would promote investment projects and establish "systems" for dealing with capitalists since the general climate in Egypt does not yet promise security for savings. It is also imperative to improve the pricing structure of interest

on savings. The interest rate on investment certificates was at 16.25 percent in Jul 89. Domestic interest rates for foreign currencies are equal or close to dollar rates abroad—the LIBOR rate—of 8.3 percent for one month and 8.9 percent for one year. Furthermore, the current rate of exchange is favorable to the transfer of Egyptian offshore savings to Egypt.

Raising Interest Rates

Dr. Ahmad Rashad Musa, chairman of the Fiscal and Economic Affairs Committee, emphasizes that Egypt's most significant attraction for the savings of Egyptian expatriates is that it offers stability and security. They would be much better off depositing their funds with Egyptian banks or investing directly in various projects [in Egypt].

He adds that the objective of attracting offshore savings would be better served if certain existing laws, especially Commercial Law, are amended to provide more depositor safeguards, especially that certain banks are having difficulty in getting some customers to repay their loans.

It is also necessary to raise interest rates for Egyptian pound deposits in order to bring them closer to world rates for savings in free [convertible] currencies. The banking system must also be developed swiftly. Egypt can be a flourishing world financial and monetary center once the [banking] system, like those in advanced countries, is able to provide differentiated services, especially investment advice. It behooves the banks, therefore, to establish channels of communications with Egyptian workers abroad through meetings and focused publicity. [passage omitted]

Small Industries Seen Vital to Economic Growth

91AA0018A Cairo AL-WAFD in Arabic 1 Oct 90 p 3

[Article: "Investment Prescription for Small Savings: Small Industries Offer Best Solution To Get Market Out of Its Slump and Foster Growth in Savings"]

[Text] How can the growth of small savings be fostered in Egypt now, and what are the investment opportunities that are available to them? How can the poor and people living on fixed incomes ultimately profit from these savings so that, on the one hand, their standard of living can be raised and, on the other hand, the national economy can be developed?

Undoubtedly, such questions are becoming extremely important at the present time, particularly with "the market" in Egypt anticipating the outcome of Egypt's agreement with the IMF. The effects of such an agreement on economic life in Egypt are expected to be tremendous. It is now being said that many investment projects are now on hold until it can be determined which way the wind will blow and what effect the coming changes will have on these projects.

Under these circumstances the matter appears to be difficult for those living on fixed incomes and those whose savings are small. For such people inflation is a bitter pill to swallow: they can see that it is eroding their savings and reducing their value from one month to the next. What opportunities do these groups of people have to increase their income or, at least, to maintain the same standard of living they have had in the past?

Exactly 600 million pounds have been earmarked in the state's general budget for wage increases in 1990-1991. At the same time the rate of inflation, which rose between 30 and 40 percent in the last two years, indicates a decline in the value of the Egyptian pound. All this has happened in the aftermath of shrinking government investments with respect to the fact that the national economy needs new projects to shore up the economy and to remedy the problems of unemployment.

Although the foregoing isolated facts do not paint a bright picture and give no indication that wage earners may have a surplus which would allow them to save, Dr. 'Abd-al-Hamid al-Ghazali, a professor at the College of Economics and Political Science in Cairo University, affirms that there are many ways by means of which better consumer practices and an awareness about savings can be developed among people living on fixed incomes. Dr. al-Ghazali said that these groups in particular represent a broad base and that "collectively, they make a significant contribution to the savings which we urgently need."

Dr. al-Ghazali added, "The question of savings in Egypt is closely associated with the need to get out of the present slump in economic activity. This would allow individuals to place their savings in economic activities which could increase their incomes. It would allow the country to get out of the stagflation which at the present time is putting a stranglehold on the economy."

"The only hope we have for getting out of this slump lies in one of two directions. The first one, which can be provided by those with small savings, lies in small industries like ready to wear clothing, food processing, crafts, and parts assembly. The second way out of this slump, which is called conquering the desert, requires structural investments to be made at the outset by the state. Afterwards, young people can increase their income by putting their energies to good use and reclaiming this land."

Dr. 'Abd-al-Hamid al-Ghazali went on to say, "The 'Islamic Partnership' formula is an integrated method to give those with small savings incentives to increase their savings. It allows people who have ideas about investment projects to utilize these funds to increase economic activity without letting them assume the burden of interest payments which could limit their ability to finance a project. This formula would allow them to

continue with their project. On the one hand, the formula would increase the income earned by individuals, and, on the other, it would help [the country] overcome the state of stagflation."

Investment Awareness

Salah-al-Din Husayn, vice chairman of the board of directors of the General Division for Investors in the General Federation of Chambers of Commerce, affirms that the problem is associated with the middle class in Egypt. "Although the middle class in Egypt is made up of a broad base of people, individuals in the middle class do not know how to make investments on their own, and that is why financial investment companies had an opportunity to attract funds from these people who were seeking a reasonable return on their investments.

"And yet," Salah-al-Din Husayn went on to say, "even after everything which happened with investment firms, many firms whose shares are made available to be traded by the general public are still suffering from the fact that Egyptians are not buying those shares as enthusiastically as they should. This is basically due to the decline in investment awareness, particularly since dealing with joint-stock companies requires visits to the stock market and to brokers. These are activities to which Egyptians are not accustomed. We have to shed light on this process since it is one method by means of which the incomes of many people with small savings can be increased. These are the people whose savings are hoarded and not channeled into investments."

Mr. Salah-al-Din Husayn added, "Unfortunately, the economic climate which we have now is impeding investment operations and not allowing them to go on. What is noticeable is that the rate at which new firms are being established is not normal; it is not what it is supposed to be. I believe that in such a situation an awareness about investments must first be encouraged. Those with small amounts of savings should be encouraged to invest in small industries. At the same time there has to be an oversight agency to coordinate activities between the owners of these small industries. Small industries offer the only solution now and the only opportunity available to those with small amounts of savings to increase their incomes. But as far as Egyptian or Arab businessmen and investors are concerned, it is my judgment that the state of anticipation in the market and the existing slump are the reason why people are refraining from starting on new investment projects. A final agreement with the IMF could clear the picture and stabilize conditions, thereby allowing the establishment of new projects where groups of people living on fixed incomes can be employed so that their incomes can be increased.

"Finally, besides all the foregoing, I think there is no alternative to the attention that should be given to projects for productive families, provided these families have access to a marketing and distribution system to guarantee that their products are made available to

consumers and to the public. At the same time these families have to be protected from harassment by tax collectors who treat them as though they were running iron and steel factories."

Fathallah Rif'at, chairman of the Economic Committee in the People's Assembly said, "What is required, first and foremost, is a national plan devised jointly by the government, the opposition, and all the political forces. This plan must depend on making people aware of the importance of saving as the principal means by which the income of broad sectors of society can be increased. Such a plan will not be achieved unless the public believes in the importance of doing as much as possible to change and improve modes of consumption. After all, saving is considered a national question about which people from all groups would agree."

Mr. Rif'at added, "There is no doubt that the question of savings in Egypt is associated with many economic conditions and with crises experienced by the Egyptian economy. These include importing more goods than one's exports; consuming more goods than the goods that are being produced; carrying a large debt; and paying higher interest to service the debt. The Egyptian economy has other problems too. Accordingly, a civilized approach has to be defined by means of which we can proceed through numerous stages to mobilize the masses and induce them to work under the slogan of increasing production. This can be done with the participation of all political parties. Thus the masses can feel that they are actually participating in this matter. Consequently, their ability to endure will grow until they do get out of the bottleneck. We must all remember that had we started the process of economic and cultural revival in the mid seventies, we would have gotten somewhere by now."

Agricultural Land Reportedly Ready for Returnees
90AA0336A Cairo AL-AHRAM AL-DUWALI in Arabic
20 Sep 90 p 3

[Article by Thabit 'Awwad]

[Text] 'Abd-al-Ghani 'Abd-al-Wanis Jad, an agricultural worker who escaped from the hell of Kuwait after Iraq invaded it and transformed it into ruins, had scarcely arrived at his parents' home in the village of Itayi al-Barud in the Governorate of al-Buhayrah, when he found waiting for him the most important news of his life and the lives of thousands of returnees. The news said: There are 36,000 feddans that await you in the Wadi al-Natron area in the Governorate of al-Buhayrah, to be filled with greenery by the agricultural laborers returning from Kuwait. This news reached 'Abd-al-Ghani 'Abd-al-Wanis Jad as he arrived to live in his parent's house after losing his entire savings from four years of hard work in Kuwait. Even before he began to think and recalculate his entire life after the collapse of dreams, it was clear that someone was already thinking of him and planning for his future.

Even before his relative, an employee in the governorate's general administration, had finished describing the details of the news, 'Abd-al-Ghani 'Abd-al-Wanis Jad was on his way with his relative to the governorate to register his name in the registry of those wishing to take possession of this land, which Dr. Muhammad 'Adil al-Hami [the governor of al-Buhayrah Governorate] had begun planning as a project. The governorate is financing and implementing the project, which is to become a reality in the next three months.

What is the story of this project? What opportunities does it offer to the labor force returning from the hell of Kuwait and Iraq, and how can all of Egypt's governorates benefit from it?

It was necessary to cope with the absorption of the returning labor force quickly and practically, stated Dr. Muhammad 'Adil al-Hami at the outset of his remarks. He then said:

When the Returnee Welfare Office was established in the governorate to tend to those returning from Iraq and Kuwait, it was ascertained that 90 percent of the returning workers are agricultural laborers. Therefore, it was logical for us to start with a project to transfer ownership of vast agricultural land devoid of manpower to the returnees. In this way we gained the double advantage of ensuring the returnees' future while increasing the amount of cultivated land.

The governor explained the dimensions of the project, which began to be implemented last Monday: There are 250,000 feddans of arable, level land in the Wadi al-Natrun area. The total area of Wadi al-Natrun is 280,000 feddans. As soon as the returnees began to flow back, we began to plan how to utilize the manpower of our sons and to cope with their problems. The area set aside for them is between kilometer 123 and kilometer 121 on the Cairo-Alexandria desert highway. Its area is 36,000 feddans. It has been divided into equal squares of 25 square kilometers, and the intention is to further divide these squares into 3,600 plots, each measuring 10 feddans. This land does not require levelling or smoothing. It is fertile and immediately usable for agriculture. It is the property of the governorate. It is quite separate from state-owned land and is outside the scope of lands owned by the Agriculture Ministry. This permits freedom of action to implement the project in the record time of less than five days. This week, we began to implement road paving works, inasmuch as the infrastructure supplies the arteries that feed the project. We also began to survey the areas and place them on maps in preparation for handing them over to our returnees. They will receive the land at no cost at the beginning of the project. In other words, the land will be free temporarily. The cost of the land will be collected in installments a number of years after production starts. At present, I am unable to discuss the cost of the land with returnees. We all know the reality of our harsh circumstances.

There Is A Condition

In the city of Damanhur, 500 returnees assembled at the governorate's building to submit applications to take possession of land plots. 'Isam 'Abd-'Abd-al-Ra'uf al-Sharif, the assistant general secretary, explained the project: The land will be handed over about two days after the submission of the applications, so that individuals will have the necessary time to fulfill the project's requirements. The government has established only one condition to guarantee the seriousness of an applicant's intentions: The person receiving the land must cultivate the land himself and live on it, so that no one else benefits from it.

The returnees' response was: We will live and die on this land.

Faruq al-Sharif, the director of the Cooperation and Agricultural Development Administration in the governorate, explained other dimensions of the project: The soil of the project's area is suited to growing vegetables, fruits, and citrus fruits. Successful experiences have proven the possibility of growing cotton, mango, apples, plums, and wheat.

We then returned to the governor of al-Buhayrah, who talked in detail about the project: Each individual is to take possession of 10 feddans. Payment for the land is not required at present. Do not think about the cost of the land now. The governorate will not begin to claim payment for it until after several years and after the land begins to produce. Payment will be distributed in installments over a number of years. The price per feddan shall not exceed the price of a feddan of desert land. During the next three months, the infrastructure for the project will be completed. Work will then begin on establishing an infrastructure for a similar area, which will be completed in three months, to be followed by another area. In this way, no applicant will be denied an opportunity to develop the land.

Farmer 'Abd-al-Ghani 'Abd-al-Wanis asked if housing will be available on this land.

The governor replied that preparation is under way now for building a residence for you in Wadi al-Natrun. The governorate will use its buses to transport individuals who take possession of land to the project site daily at no cost, so that your matters regarding agriculture are in order and it will be easy for you to build your homes. The Wadi al-Natrun area is no more than 14 km from the project.

'Ali Muhammad al-Basmumi, the chief of the Land Ownership Transfer Office and a member of the governorate's council, stated that about 600 applications have been submitted, and the number is increasing daily. The office ascertains that the applicants are indeed returnees from Iraq or Kuwait by requiring them to attach copies of their passports to their applications. In this way, others cannot take advantage of the project. He added that there are other problems, including the returnees'

requests for education, housing, and work. These requests are receiving immediate attention, and the governor is personally intervening with the pertinent agencies inside and outside the governorate to resolve them.

Even If Conditions Become Better Than Before, I Would Not Go Back

In conversations among returnees at the office that is receiving applications, Yasir Mahmud Sharabi from Abu-Rish in Damanhur, a returnee from Iraq who has a degree in agriculture, and Fahmi Fathi al-Sharqawi, from the al-Sharqawi rural settlement in Damanhur, a returnee from Kuwait who is an accountant, said: We need material assistance to start the project. The assistant general secretary explained to them how to submit an application for a loan from the Agricultural Development and Credit Bank in Wadi al-Natrun. These loans, which are for 15,000 Egyptian pounds at six-percent interest, can be "guaranteed by the land." He stated that he will hold contacts with the bank in the city to help them acquire a loan. Another returnee, Salah 'Abd-al-Quwa Yadin, from al-Dilingat, married, and the provider for a family of seven, states: I will sow the land immediately upon receiving it, and I and my children and wife will work the land with our hands. I want my children to work only in agriculture, because its hardships are much fewer than those of any other occupation, and the land knows only faithfulness.

Agriculture is Nabil Mustafa Sa'd's dream in life. An agricultural worker from Shibrahit, he does not hide his pleasure with the project, and states: Even if conditions in Iraq become better than they were before, I would not return. This is my land and country, where I will build my house, marry, and have children. I will make this the most beautiful spot on earth.

As for 'Abd-al-Ghani al-Wanis (25), he believes that honor derives from the land and explains his thinking: The destiny of any land is connected with the loaf of bread. This will be achieved only through planting wheat. Only the fellah [farmer] is good at this because only he realizes the importance of giving precedence to growing grain over growing fruit, because growing grain, especially wheat, will free us from having to seek foreign aid. He adds: We hope that the program for handing over land will be earnest from beginning to end.

Fu'ad Hamid al-Sayyid 'Isa, from al-D'lingat, who has a family, relates a personal problem that is not within the purview of officials in the governorate: When driving a tractor in Iraq, he was in an accident in which he lost his left eye. After returning, he tried to renew his agricultural tractor license, but officials refused to renew it because of his injury. He called on the interior minister to exempt him from the tractor license renewal requirement so that he can feed his family.

How Is This Project Different?

Before visiting the actual site of the project, we had to free ourselves of some concerns that always arise at the start of any project related to land. I asked the governor about the guarantees of success of this sensitive project.

He answered decisively: Difficulties in several other projects stemmed mainly from the multiplicity of agencies having jurisdiction over a given project, and the resulting conflicts and confusion regarding the terms of the concerned agencies. Another basic problem affecting land projects is a lack of seriousness on the part of applicants for such projects. They lack a desire to own the land or take possession of it. These problems do not impede the Wadi al-Natrun project. The land in this project belongs to the governorate. No other agencies share in its ownership. The governorate has the first and last word regarding this land and the type of persons who will benefit from it. We have established the residency requirement and the stipulation that agricultural work will be performed on the land that is transferred. These conditions guarantee the success of the project. The Returnee Welfare Office will monitor compliance with the conditions for the right of possession. The contract stipulates that whoever takes possession of a plot of land and cultivates it cannot sell or transfer it to another person. We have benefitted from the experiences of others. Slow implementation was among the reasons for the failure of other agricultural projects. This problem stems from a lack of control over the elements of the project. To speed implementation of our project, an agreement was reached with the Rijwa Company, which specializes in digging drinking and irrigation wells through its branches in the governorate. It has actually dug two drinking wells at the site. Every ten returnees who have land transfer agreements enter into an arrangement with the Rijwa Company. The governorate supervises the digging of a well in the 100-feddan area that they own. This suffices for the area. The cost of building a 50-meter deep well is about 40,000 Egyptian pounds and includes the provision of lighting for the project. Wells dug further south will cost less, because the water level in the south is five meters underground. A returnee needs 4,000 Egyptian pounds to participate in the well scheme. The sum can be obtained as a loan from the Agricultural Development and Credit Bank. The governor added: The governorate is providing agricultural extension services and free crop supervision to ensure that crops make it to the production and marketing stages. The only requirement is that the returnees take this project seriously, because their sweat is the main factor that will decide the success of the project.

What Is Happening at the Project Site?

The project's seriousness becomes clear at the project site, and it is proven by the governor's remarks. After we arrived at the city of Wadi al-Natrun (population 60,000, area 1,175 square kilometers), which begins at kilometer 80 on the desert road and ends at kilometer 121, at the city council building next to the "rest house," 'Ala'

Barghut said: We have begun to form a special resident field work team for the project. It began road-paving two days ago. There are about 22 km of 10-meter wide road that we have to finish paving within three months. The cost of the paving is 22 million Egyptian pounds. He states that applications for taking possession of the land are received at the city council, which refers them to the governorate. He added that after the completion of the first stage of the project, a second and third stage will be implemented at kilometer 119, 113, 106, and 100. The land in Wadi al-Natrun is flat, which aids implementation. In areas within the project site that seem level but incline as one moves westward, levelling works are in full swing. About 1,000 meters were almost levelled in less than five days. Engineer 'Abd-al-Rahman Majdi 'Abd-al-'Aziz, the general director of roads, states that a plan has been formulated to facilitate the establishment of an agricultural society. The plan is based on the construction of a main road, 22 km in length, that runs perpendicular to the desert road. Every five kilometers, roads will branch off this main road to meet up with branch roads coming from the main roads that will be built in subsequent stages of the project. In this way, the network of roads will form square plots of 25 square km. Earth levelling and the base layer have been carried out for an area that will amount to 400,000 level meters. The city's head says that two drinking water wells were dug before the start of road-paving, which cost about 214,000 Egyptian pounds. Work is under way to build drinking water networks, at a cost of 116,000 Egyptian pounds, to serve the farmers. Electricity is being provided by means of lifting stations especially applicable to irrigation water wells, which can be exploited to generate electricity. Regarding agricultural mechanization and the method for obtaining a loan, Muharib 'Abd-al-Wanis Khadar, the chairman of the Agricultural Council and an official in the credit bank in the city, stresses the availability of soft loans of 15,000 Egyptian pounds that can be repaid in long-term installments at six-percent interest. The bank also helps farmers acquire agricultural machinery through loans or lease arrangements guaranteed by the land and the tillage. The bank also provides seed, different types of modern agricultural machinery, irrigation machines, deepening pumps, and diesel machinery for illumination. Farmers will make repayment according to a seven-year schedule, after they take out an agricultural card through the agricultural administration. Muharib 'Abd-al-Wanis calls on officials in Cairo to approve upgrading the bank from a village bank to a main branch in Wadi al-Natrun, so that it can keep pace with the expected agricultural development.

Engineer Muhammad 'Abd-al-Hamid Sulayman states that Wadi al-Natrun's distinctive climate is perfectly suited to agriculture, as indicated by the fact that we do not use pesticides in agriculture, because the temperature is completely compatible with the crops. This saves about 25 percent of the cost of cultivating a feddan. For example, it cost 2,000 Egyptian pounds to produce a feddan of potatoes. This figure includes 600 Egyptian

pounds for pesticides. A feddan has produced six tons without the use of pesticides, and this yield was free of afflictions.

ISRAEL

David Levi Interviewed on Washington Visit

90AE0359A Tel Aviv YEDI'OT AHARONOT (Weekend supplement) in Hebrew 14 Sep 90 p 2

[Interview with Foreign Minister David Levi by correspondent Dan Shilon; date, place not given]

[Text]

[Dan Shilon] David Levi, have you discovered America?

[David Levi] This was not my first visit to America. The result is what is important: the restoration of our relations with the United States to the good days. This was achieved.

[Shilon] More specifically, what did you achieve by the visit - beyond the respect that was accorded to you?

[Levi] Whoever expected that I would return home with a suitcase full of presents is likely to be disappointed. I achieved a change in the atmosphere of Israeli-U.S. relations. This is manifested in the public statements of Secretary Baker and President Bush. It has become evident, contrary to what was feared, that the United States is continuing to maintain the historic alliance with Israel despite the new relations it has created with Arab states in the wake of the Gulf crisis. I also obtained in Washington a positive response to all of Israel's defense needs. There are important achievements on economic issues, as well.

[Shilon] Did they promise to erase Israel's debts to the United States -parallel to erasing Egypt's debts?

[Levi] Egypt has yet to achieve this. There is an idea by the President of the United States that has evolved due to Egypt's economic difficulties. We are not envious of this. Notwithstanding, I said in Washington that it is unthinkable that Israel should be discriminated against. We, too, have economic problems, and the Americans are aware of this.

[Shilon] You have convinced me. Did you also convince the Americans?

[Levi] The Americans did not say no to the request of erasing the debt. But this must still be worked on. The minister of finance will go there toward the end of the month, and will deal with this. In principle. I received explicit and clear promises to erase the debt during my meetings in the two houses of Congress.

[Shilon] Did Baker and Bush reveal to you that they are now willing to bring the Soviet Union into an active role in the Middle East peace process?

[Levi] They did not say this to me. They only said that they would try to influence Arab states to renounce the state of war and to embark upon a path of peace.

[Shilon] I asked you about the role of the Soviet Union.

[Levi] Hasn't the Soviet Union existed in the Middle East until now?

[Shilon] Until now it has been neutralized by the United States from taking an active role in the political process. Now the impression is that the United States is letting it in through the front door.

[Levi] The President of the United States did not accept the Soviet idea of an international conference.

[Shilon] The President of the United States just did not agree to a linkage between the resolution of the Gulf crisis and an international conference for the resolution of the Israeli-Arab conflict. However, in the absence of such linkage, he definitely agrees to an international conference.

[Levi] We opposed and we continue to oppose an international conference. I said this now in Washington, as well.

[Shilon] And don't you discern that something has happened in the world? The Soviet Union is no longer the same frightening monster that we feared in the past. Why are we continuing to oppose an international conference?

[Levi] It is true that things have happened and we indeed yearn to see the Soviet Union change its attitude toward Israel. Right now I am preparing for my meeting with Soviet Foreign Minister Eduard Shevardnadze. I hope that I will already see the change during this meeting, meaning the cessation of arms shipments to Arab states and the renewal of diplomatic relations with Israel.

[Shilon] And then you will invite the Soviet Union to assist in forwarding the Middle East peace process?

[Levi] I am not inviting anyone except for the Arab states for face to face talks. Everyone who can assist in arriving at such talks will be blessed. And if the Soviet Union assists in this, it will be blessed as well.

[Shilon] Will this be the sign of our consent to an international conference?

[Levi] No. An international conference definitely is not acceptable to us.

[Shilon] Did you hear from James Baker explicit words condemning negotiations with the PLO?

[Levi] Baker voiced to me not only disappointment with the PLO, but even wrath at the position of the organization in the wake of the Gulf crisis.

[Shilon] The Gulf crisis brought the United States closer to many Arab states, and Syria among them. Do you anticipate Israeli-Syrian negotiations in the near future?

[Levi] This has always been our ambition. We will go to direct negotiations with the Syrians without any preliminary conditions.

[Shilon] Do these negotiations seem imminent to you today?

[Levi] Not beyond the door, but I hope they will be imminent.

[Shilon] Didn't you feel in Washington the devaluation that has taken place in Israel's status as a strategic asset?

[Levi] I felt the opposite of this. Israel is the strongest and most courageous ally of the United States in the Middle East.

[Shilon] Did Baker request answers to his old questions, questions that have not yet been responded to?

[Levi] No, he did not request them. He knew exactly who I was and what my positions were. He agreed that we must think about solutions together and about answers to the questions at hand. The United States now understands Israel's defense fears better than ever.

[Shilon] In the wake of the Gulf crisis, how will the new political initiative of the United States toward resolution of the Israeli-Arab conflict look?

[Levi] If the United States emerges strengthened from the Gulf crisis, and I believe that this will be the case, Israel will also emerge strengthened. Henceforth, positions will be coordinated - in advance - between Israel and the United States.

[Shilon] And the United States will no longer surprise Israel with political initiatives and moves as has occurred in recent years?

[Levi] Baker explicitly promised me that he would not speak with us using a language of pressure. He said: "We shall consult one another as friends". We agreed that if there are differences of opinion between us, we will clarify them jointly and arrive at solutions together.

[Shilon] Did that make you a bit less of a 'spoke in the wheel'?

[Levi] I returned from the United States with exactly the same positions as when I left Israel. I presented my 'builder's spokes' openly and with full honesty to Mr. Baker. He definitely showed understanding for my positions in light of the change that has taken place in the United States in terms of comprehending the problems of the Middle East.

[Shilon] Did you agree to the American stipulation to grant 400 million dollars as a loan for the absorption of immigration in exchange for an Israeli promise that the money not be put into the settlements?

[Levi] He who expects that the Government of Israel will divorce itself of its political views in exchange for 400 million dollars is mistaken. I said precisely that to the American secretary of state, and he responded: "I understand you".

[Shilon] Understands, but does not agree.

[Levi] James Baker still has not joined the Likud movement. Every person has his own view. We agreed that a joint, agreed-upon formula would be worked out on this issue.

[Shilon] Did Baker explain to you why he had refused to meet with Defense Minister Arens during his last visit to the United States?

[Levi] It was not a matter of "anger". I represent the Government of Israel and the minister of defense represents Israel's defense matters. In this role, he will come to Washington next week.

[Shilon] Do you intend to brief Moshe Arens before his trip to Washington?

[Levi] If there is a need, and my advice will help him, I will do so.

[Shilon] What is the meaning of "if there is a need"? Is this not obvious? [Levi] I repeat my answer: If there is a need, I will advise him. This is not only my state obligation, but a friendly approach.

[Shilon] Don't you sense the inflation of trips by the ministers of the Israeli government to the United States?

[Levi] I do not intend to determine who needs and who does not need to travel. I agreed with the prime minister that any such trip should be undertaken in full coordination with me and with my consent.

[Shilon] Why didn't you take your deputy, Binyamin Netanyahu, with you to Washington? Did you really fear that he would steal the show from you?

[Levi] What show? Where was the show here? I thought that it was not desirable for a minister and his deputy to be absent from Israel simultaneously.

[Shilon] Couldn't he have helped you, for example, in the role of interpreter, instead of the professional interpreter, Yossi Rosen?

[Levi] Everyone has his role.

[Shilon] State secrets were foreign to the interpreter you took with you. Didn't you take a risk?

[Levi] The interpreter was part of the entourage. Trust me to know how to keep state secrets.

[Shilon] MK Robby Rivlin, among your leading supporters, bragged over the weekend about the fact that you spoke Hebrew in Washington. He explained that by

doing so, the Americans were able to really understand the Israeli position for the first time in years. What did he mean?

[Levi] All I can say about that is that my meetings in Washington were good and beneficial. The Hebrew language was not an obstacle. On the contrary, it even added charm to my meetings with the heads of the Administration. I am proud of that.

[Shilon] Was it this "charm" that caused the U.S. ambassador to Israel, William Braun, to give an official speech in Hebrew this week?

[Levi] I am willing to divulge to you that even in my sensitive meetings with him he speaks Hebrew and tells me about his Hebrew lessons. He speaks a delightful and charming Hebrew.

[Shilon] And what about your English?

[Levi] I will repeat the answer that I have already given to you in the past: if there is a need, I will learn English, and fast.

[Shilon] Upon your return from Washington, it appears that the internal camps within the Likud are becoming increasingly fortified. Even a toast to the Jewish New Year was not done jointly by the leadership of the movement, but by each camp separately. Why?

[Levi] Show me a party in which there are no camps and internal struggles. But friendship is preserved. All of the members of the other camps are my friends.

[Shilon] In the wake of the great respect accorded to you in Washington, has your ambition of becoming prime minister of Israel intensified?

[Levi] My success in Washington was the success of the State of Israel. Regarding the prime ministry, I have said in the past and I am also saying today: I have the ambition of becoming prime minister. It seems to me that the recognition of that ambition around me has increased during the past week. But everything in due time. We now have a prime minister and I am working with him in total harmony. When the time comes, I will face the challenge.

[Shilon] Thank you and happy new year.

[Levi] Happy new year.

Weapons Sales to Saudi Arabia, Security Discussed

90AE0354B Tel Aviv MA'ARIV in Hebrew
12 Sep 90 p 10

[Article by Yosef Harif]

[Text] Israel was confronted in the United States with a severe dilemma: It is difficult to object to shipments of sophisticated American arms to Saudi Arabia in order to strengthen an ally standing with it on the same front,

while reconciliation with such weapons shipments means reconciliation with a terrible danger. In time, when the problem of the crisis in the Persian Gulf is somehow solved, an anti-Israeli Arab coalition, equipped with the best sophisticated weapons, is likely to be formed.

The problem is that a rational argument can frustrate the American intention of showering Saudi Arabia with an abundance of weapons, while it is doubtful whether this is what will determine its defense capability. Does Saudi Arabia have skilled personnel capable of properly operating all of the F-15s, AWACs, and tanks already in its possession?

Washington is motivated by two main factors: the American weapons industry wishing for the billions that Riyadh is capable of paying has its lobby in the corridors of the Administration, while the Administration, for its part, is trying to bribe the moderate Arab states and link them to the United States, at the price of arms supply and the erasure of billions of dollars in debt.

There is no need to bribe. It will remain faithful in any event. All it is currently being asked to do is to continue to maintain a "low profile" regarding the Gulf and not to disturb the policy makers in Washington in their new political game - the organization in the region of a new pro-American "Arab alignment." In the half a dozen telephone calls and letters that have been exchanged between American Secretary of Defense Richard Cheney and Minister of Defense Moshe Arens, American appreciation for Israel as a solid buttress of the United States in the region was expressed.

The promise that President Bush made to Foreign Minister David Levi, that Washington is determined to see to it that Israel's qualitative-technological advantage be maintained is, of course, encouraging, but it is no innovation, in and of itself. Likewise, there is no innovation in the American desire to supply weapons to Arab countries that are in a state of war with Israel. Even a president as friendly as Ronald Reagan once wrote to the Government of Israel on this matter: "Israel remains America's friend and ally, however I believe that it is in the interest of both our countries that the United States increase its influence in other states in the region."

But Israel cannot be reconciled with this position even if it sounds reasonable. According to the same logic, Washington was willing to equip Kuwait with modern and sophisticated weapons from head to toe, far beyond what this "power" required. The reality today is known to all: all of these weapons fell into the hands of Iraq, Israel's sworn enemy; the only Arab state, by the way, that has refused to sign the armistice agreement since 1949, although it has participated in all of the wars against Israel.

In the atmosphere existing in Washington, it is difficult, as stated, to persuade public opinion and Congress to prevent the arms shipments to Saudi Arabia or to Jordan. Experience shows that, whenever a war is forced

upon us, all of Israel's enemies join together in their aggression against it. It thus happened that in the Yom Kippur War Syrian forces fought against us in the Golan Heights, together with Jordanian and Moroccan forces - the last two, as known, were a symbol of "moderate" Arab states.

Foreign Minister David Levi's achievement in managing to extract from the president and American secretary of state a renewed promise to see to Israel's "qualitative edge" is important. The real test will be in the upcoming days. This weekend, minister of defense Moshe Arens is leaving for the United States and will meet there with his counterpart, Dick Cheney. It is reasonable to assume that Arens is carrying with him a "shopping list." Even if we want to believe that the United States cannot reject the military purchasing requests of Saudi Arabia and Egypt, there is no reason why Israel's requests should not be fulfilled. In this matter, the United States is not entitled to preach about maintaining a "low profile." The dangers which Israel is likely to encounter when the time comes require the fulfillment of its requests.

Arens and Cheney also met in July. During that conversation, in Washington, the Israeli minister spoke a great deal about the Iraqi threat against Israel and emphasized that it would behoove the United States to take into account the significance of this danger with regard to the entire Middle East, and perhaps the Western world. It is true that Arens did not predict Iraq's invasion of Kuwait two weeks later, but the prophesy regarding the Iraqi danger came to pass. The American secretary of defense listened and did not react to that "Israeli analysis." In retrospect, the American administration became convinced that Arens was right. The logic of the events in the region requires a strong Israel, from the perspective of the United States, as well. This means that there is no need to bribe Israel with arms in order to buy its friendship, but that it must be given whatever is vital to its defense, which is also the defense of the United States, as Ronald Reagan and George Schultz, the generators of the strategic cooperation between the two countries, saw fit to emphasize.

Changes in Intifadah Noted in Nabulus

90AE0366A Tel Aviv MA'ARIV in Hebrew 7 Sep p 7b

[Article and brief interviews with: a salesman; a journalist; Mr. Calbouna; Nihad, son of a street vendor; and 'Adal al-Shafi', a twelve-year-old boy by correspondent Avi Raz; in Nabulus, date not given]

[Text] A pleasant sun shined on Nabulus on Tuesday, the 1,001 day of the intifadah. The city's central square, Husayn Square, was full of people. The drivers of the cars, taxis, and vans made great efforts to make their way with the aid of lengthy beeping. Vendors filled the sidewalks with stands, and offered passersby vegetables, fruit, warm pita bread, and clothing. Women and men examined the merchandise, and some of them dallied for

small talk. Others crossed the heavy iron gate and continued into the *casbah* [market], on the other side of a high stone wall.

The narrow alleys, along which large pieces of meat were exhibited on steel hooks, were full of activity. Young boys pushed carts stuffed with merchandise, and people were sometimes forced to jump aside in alarm, in order not to get hurt. An old man of small stature, who carried a metal platter with coffee cups on it, maneuvered swiftly. The merchants tried to tempt folks with ridiculous prices. "One shekel, one shekel", they shouted.

Ostensibly, therefore, life in Nabulus continued as usual, as in the past, as in the days prior to the intifadah. It is possible to err and to believe that the intifadah, which disappeared from the newspapers, has also departed from the field. Except that you cross the square and meet a man with a worried face, who presents you with an IDF [Israeli Defense Forces]-issued "rubber bullet" fired two days earlier at his small son and removed from the boy's leg during an operation; you read the fresh inscriptions spread on the walls and cry out "Saddam"; you detect frantic preparations to close businesses and stores as 2:00 p.m. approaches, in accordance with the Palestinian summer clock and the command of the united headquarters of the uprising; and you see the Palestinian flags that were drawn and pasted almost everywhere.

And, nonetheless, you ask Fathi, a sixty year old man wearing a brown *galabiya* and overseeing a stand selling figs, pomegranates, peppers, and parsley, where the intifadah has disappeared. Fathi responds that "it is impossible to make an intifadah 24 hours a day" and that, notwithstanding, "the intifadah flows in our bodies like blood". He suddenly becomes quiet, looks to the far edge of the alley and, after a short moment, points with his hand and proudly declares: "here is the intifadah. Look."

A large Palestinian flag, somewhat torn, waved on a thin board that was carried by a tall, thin youth. The youth's face was covered with a black and white *kefiyah*, that left only a narrow hole for his eyes. Thirty or forty youths surrounded the flagbearer, and they marched at a swift pace from the direction of the Abd-al-Nasir Mosque, chanting rhythmically: "In spirit and in blood we shall redeem you, Saddam", by soul and by blood we shall redeem you, oh, Saddam."

The business owners on both sides of the alley viewed the sight with indifference. "Every day they pass by here like that", said a salesman in a store selling household items. "Sometimes in the morning and sometimes in the afternoon. One gets used to it."

[Avi Raz] And the army?

[Salesman] If the soldiers come, they [the soldiers] are stoned.

The small procession had already turned into a side alley, when someone among it detected strangers and the

excited group hurried to surround them. "Press", promised Bassam 'Id, the escort from the Israeli Information Center for Human Rights in the Territories [Betselem]. But they insisted upon interrogating the photographer and finding out who he was, what newspaper he represented, and what languages he understood. A few were particularly hostile, but a handsome fellow in a purple shirt checked them and ordered them to distance themselves.

"You must understand," apologized old Fathi afterwards, "it has already happened that the army and the SHABAK (General Security Service) have come as journalists".

Except that the journalists do not come much now. While, according to Fathi, "we feel that the thousand days of the intifadah have passed quickly, like a thousand minutes", and "we will continue the intifadah until we succeed, even if all the days of our lives pass". After the thousand days of the intifadah, however, it is already a non-story that has been somewhat shuffled aside even in the Palestinian newspapers published in East Jerusalem.

Fathi explained that because of the lack of press coverage [people] think that the intifadah is dying down; the army, he claimed, removed roadblocks that it was accustomed to positioning and cancelled limitations that it had imposed, with the objective of substantiating its claim regarding the fading of the Palestinian uprising. If so, this is a cunning plan conceived by the Israeli government: it treats the Palestinians with a soft hand, in order to hide the intifadah from the eyes of the world.

In Nabulus, there is a widespread thesis that views the limited Israeli violence as a political scheme. Since it is impossible to deny the shrinking numbers of those killed and wounded, the supporters of the intifadah had to come up with an explanation that would not admit the fading of the national fervor.

"The intifadah did not disappear, but the events have changed", clarified D'hir Diva'i, "Abu Islam", a journalist heading the press office that manages the affairs of the Al-Kuds newspaper in Nabulus. "The danger usually comes from the authorities and not from the Palestinians and, since the beginning of this year, we are witnesses to a different policy that the army is operating in accordance with the field."

[Raz] In other words, the Israelis have been reformed.

[D'hir Diva'i] The Israelis are employing sense better than they have in the past.

[Raz] The conclusion is that the extreme right-winged government of Shamir is the best from your perspective.

[Diva'i] For us, occupation is occupation and there is no difference between an iron fist and a silk glove.

Abu Islam's answers are polished, skillful, and very political. He is a handsome man, well dressed, forty two

years old. He is a graduate of the local Al-Najah University (political science and journalism). In 1970, he said, he was jailed, his house was destroyed, and he served seven years for membership in a cell of the al-Fatah organization.

"The Israeli tendency is to block the intifadah from the press", said Abu Islam. "In the beginning, they tried to limit the press, but when the army killed children, this did not help. Now, they are trying another way."

[Raz] And, in the interim, life is returning to normal.

[Diva'i] No. The objective of the intifadah is not violence or to cause suffering to ourselves or to others. The objective of the intifadah is to block the way to war and hatred and to terminate the occupation. Therefore, life has not returned to normal, because the occupation is not over.

A chorus of whistles—an agreed upon signal indicating approaching soldiers—came from the alleys and was clearly heard in the home of the Calbouna family, in the heart of the *casbah*. Out of seven sons, only two were present at the time. A third brother was arrested, beaten by his interrogators (according to the family) and, as a result, he was paralyzed throughout the lower half of his body and transferred to a nursing institution in Jordan. A fourth brother was shot by soldiers immediately after they discovered his identity (according to the family). He was paralyzed throughout the lower half of his body, and was also transferred to Jordan. A fifth brother was sentenced to many years in prison. A sixth brother is an administrative detainee, and is being held in Ketziot. A seventh brother has been arrested, and is awaiting trial.

"The intifadah has not disappeared", said one of the brothers who had not been arrested; [people] only think so because there are mass arrests".

[Raz] And aren't you tired of it? The interrogations, the arrests, the fear? [Calbouna] No, [I am] not tired of it.

[Raz] I don't believe it.

[Calbouna] You can believe whatever you wish.

He stretched in his chair, one of nine that filled the large living room. The room's ceiling was covered with wood, and the peeling walls were decorated with worn, colorful wallpaper depicting a Yugoslavian lake surrounded by mountains, the matriculation certificates of three of the brothers, and the color photographs of several family members. In the corner, between the dining room table and the closet, stood a washing machine.

Afterwards, he told how one night, approximately a month and a half ago, when he fled the heat and slept in the open courtyard, he noticed soldiers walking on the roofs; one of them fired tear gas for no reason into the courtyard.

[Raz] These Israelis, who fired tear gas at you, incarcerated your brothers and rendered two of them paralyzed—will you ever be able to forgive [them]? [Calbouna] Definitely. If there is a withdrawal from the territories, I will forgive them. With the joy of the termination of the occupation, we will forgive everything.

Fathi, the old vendor in the brown *galabiya*, said: "I am the father of five children. If the Israelis kill them all, but leave the territories, I will dance with joy."

According to data of "Betsalem", since the onset of the intifadah, 53 Palestinians have been killed in Nabulus from the gunfire of IDF soldiers. The number of other casualties is even larger, and the total number of wounded amounts to many thousands. Some were wounded several times. For example, Fathi's youngest son, Nihad, 15 years old, has already been injured three times from Israeli bullets. When his father lifted his shirt, the naked body of a boy entirely tattooed with the scars of operations was exposed.

[Raz] Why did they fire at you?

[Nihad] I would throw rocks at soldiers.

Instead of a childhood, these youths have had an intifadah. The youngest son of the Calbouna family, who was 15 years old when the uprising broke out, was released two weeks ago from 18 days of jail. "My land is above everything," he recited, "and if the land requires that I live this way, then this is the way that I shall live."

[Raz] And you, of course, support Saddam Husayn.

[Youngest Calbouna family member] He is the only real Arab leader.

Like in the stairwell of the building where Abu Islam's office is located, Palestinian flags decorated with slogans from the Islamic organization HAMAS [Islamic Resistance Movement] have also been taped to the walls of the corridors of the al-Itihad hospital. In a small room, in Department Three on the second floor, lay 'Adal al-Shafi', 12 years old. A large bandage was wrapped around his left leg, above the knee. His father, Nat'ar, a 43 year old carpenter, looked at him with concern, holding a "rubber bullet"—a metal marble coated with hard rubber—in his fist, which he previously had shown to acquaintances whom he had met in the city square.

['Adal al-Shafi'] Two days ago, in the evening, I left the 'Aj'aj mosque in Ras el-'Ayn. In the street there was a local minibus with a blue license plate, and curtains on the windows. Suddenly, soldiers came out of it, and the people started to run. I ran, too. While running, I saw a soldier aiming his rifle at me. I ran faster, but I felt a strong blow in the leg. I continued to run, and I stopped near the *falafel* seller. I saw that I had a wound and that I was bleeding, and people took me to the hospital."

[Raz] And the soldiers?

[Adal al-Shafi'] They drove away.

Rafa'el Eytan on Territorial Security Issues

90AE0354A Tel Aviv MA'ARIV in Hebrew
12 Sep 90 p 10

[Article by Minister of Agriculture Rafa'el Eytan]

[Text] The left no longer believes in the Palestinian leadership. In any event, not those who were disappointed by the Palestinians, nor those who declared that they had never had any illusions, anyway.

The two sides admit that immediate utopia is not expected between us and the Palestinians, but they determine that: "There is no alternative other than talking with them, even if we know a priori that after many years of hostility comradeship will not characterize their attitude toward us".

But even those who maintain that even if "the Arabs deserve occupation, we do not deserve it" must admit the fact that handing over the territories of Judaea, Samaria, and Gaza to a peace seeking people, whose sole desire is two states for two peoples, is "a different story" than handing these territories over to a people whose inclinations are similar to those of Saddam Husayn.

For we are not speaking of a remote strip of land with a marginal impact on life in the heart of the State of Israel. We are speaking of a region, the control of which has critical ramifications for the existence of the state, both from a military (strategic and tactical) perspective, and from an economic perspective.

A number of examples render the matter concrete:

Without holding the hills of Judaea and Samaria and the traffic axes that cross them, Israel will not have enough time to mobilize the reserve forces in the event of a surprise attack from the east. Since the survival of the state depends upon the prior mobilization of reserves, this means that in the event of fear of a defense threat, Israel will not have any operational options apart from a massive preemptive attack in response to a minimum of provocation, in order to prevent the entrance of enemy forces to the coastal plain.

Holding the ranges of Judaea and Samaria is a component in the deterrence of Arab states from a long range missile attack. This is because it enables Israel to possess the capability for a decisive counterreaction in the event of a surprise attack from the east. Without this holding, the chances of a swift capture of the coastal plain by Arab forces immediately after a missile attack increase, which, in effect, would deny Israel any possibility of an effective counterattack.

From the hills of Judaea and Samaria control is possible in terms of fire, electronic coverage and observation of the military and civil infrastructure within the green line, such as: airports, seaports, the road network, the fresh water system, power stations, communications systems,

government and command centers, and the majority of the civilian population. All of these will be within the range of mobile weapons easily camouflaged, inexpensive, and available also to elements outside the governmental framework.

From the standpoint of the economy, the potential threats are perhaps even more severe than the military ones.

Between a third and one half of the state's water sources (drinking water quality) are collected in the mountain equipper which extends physically to Judaea and Samaria. Pumping and/or pollution from the flow of sewerage and spillage within these areas can cause irreversible damage to water sources within the green line, in accordance with the principle of connected vessels. Likewise, the quality of water in the coastal equipper is vulnerable to damage from polluting flows from wadis from the hills of Judaea and Samaria to the coastal plain. Thus, whoever controls the water system in Judaea and Samaria can, whether maliciously or not, bring about the ruin of the water economy within the green line along with the state's chances of survival.

The decision to hand over an area so vital to the state, and the degree of rationality therein, of course, depends upon the character of the element which will receive the region in the future.

It is "one story" to hand it over to peace seeking elements whose sole desire is to determine their own fate, and who yearn for a life of serenity while aspiring to mutual understanding based upon the principle of two states for two peoples, and it is an entirely "different story" altogether, to hand it over to hostile elements whose tendencies are violent, who symbolize uncompromising hostility, and who aspire to the realization of the Pan-Islamic dream, a dream shared by them and the dictator from Baghdad.

KUWAIT

Work of Government in Exile Profiled

90AE0361A London AL-MAJALLAH in Arabic
4 Sep 90 pp 10-13

[Article by Salih al-'Azzaz: "Legitimate Government Looks After Interests of Kuwait and its People at Home and Abroad"]

[Text] Riyadh—How does the Kuwaiti cabinet function in the present circumstances? How does it meet the requirements of its people and citizens while being away from its headquarters, information centers, secretariats, administration, and staff? What topics does it discuss and what means does it use in order to achieve its numerous goals, such as looking after the Kuwaitis and caring for them, securing honorable living conditions for them, facing up to the Iraqi attack, and planning for resistance in order to restore Kuwait?

AL-MAJALLAH was the only publication that was able to visit the Kuwaiti cabinet's temporary headquarters last Friday where we took a look at how the cabinet manages its affairs, and we came up with the following report:

From the first day of Iraq's invasion of Kuwait and of the arrival of its Amir and ministers to the Kingdom of Saudi Arabia, and its government was regrouped, the Kuwaiti cabinet, with all those ministers present, has been constantly meeting in order to discuss current developments.

The last minister to arrive in Saudi Arabia from Kuwait through the desert was the Kuwaiti minister of information. His arrival constituted a quorum.

The cabinet holds continuous meetings in order to discuss affairs of the citizens' daily life inside and outside Kuwait. It also takes decisions on resistance operations and lays down plans for Kuwait's economic future.

AL-MAJALLAH entered the cabinet headquarters at noon time prayers.

The prime minister and the Kuwaiti government members interrupted their meeting in order to perform Friday prayers, after which they resumed the meeting that lasted several hours. Everybody then broke for lunch after which they resumed the meeting in order to continue studying the subjects under discussion. This has been the case with the Kuwaiti government since the beginning of the blatant Iraqi invasion.

Shaykh Sa'd al-'Abdallah al-Sabah, the Crown Prince and Prime Minister, heads the meeting of the government all of whose members were able to escape falling into the Iraqi forces' hands. Shaykh Sa'd begins the cabinet meetings by conveying the directions he receives from the country's Amir, Shaykh Jabir al-Ahmad al-Sabah, "which always include instructions to provide all means of comfort possible for the Kuwaiti citizens who have been dispersed by the invaders."

At its daily continuous meetings the Kuwaiti cabinet discusses several subjects, foremost of which is the condition of Kuwaiti citizens both inside and outside Kuwait. The cabinet has set up a committee consisting of ministers and senior officials in order to follow up the conditions of Kuwaiti citizens in the Gulf, the Arab homeland, and Europe. The committee has provided for those citizens' accommodations, clothing, and food "until they return safely to their country after the aggressors withdraw or are expelled."

A senior official stressed that "special measures are being taken to provide care for our people inside Kuwait." The official declined to say anything more about those measures or reveal their nature. He simply said that "they are successful and achieve their objectives. We regard them to be one of the most important factors in our people's steadfastness there."

The cabinet is briefed daily on reports received by the Kuwaiti Defense Minister and the Chief of the National Guard about the Kuwaiti resistance activities against occupation. The cabinet receives reports accompanied by photographs of the damages which the Iraqi occupation has caused and is causing to Kuwait, and other reports accompanied by photographs showing the damages the Kuwaiti resistance is inflicting on the Iraqi occupation army.

The cabinet ministers listen to the outcome of diplomatic contacts which a number of Kuwaiti envoys carried out in several Arab and foreign countries. Kuwaiti diplomacy has been active and launched successful campaigns the effects of which were apparent in the international stand supportive of Kuwait. The diplomatic campaign was led by Shaykh Sa'd al-'Abdallah and Deputy Prime Minister and Foreign Minister Shaykh Sabah al-Ahmad al-Sabah. The former has completed a successful Arab tour and the latter has just returned from an international diplomatic tour during which he travelled thousands of miles explaining Kuwait's just cause to leaders of the countries he visited. He spent several hours in meetings with the foreign ministers of those countries. A number of Kuwaiti ministers are still engaged in diplomatic missions.

The cabinet is studying reports on the economic situation by the minister of trade and the economic advisers. This includes the situation of Kuwaiti investments abroad. Salim 'Abd-al-Rahman al-'Atiqi, the former finance minister and adviser to the Amir of Kuwait, told AL-MAJALLAH that Kuwaiti investments abroad "will not be affected by the current crisis or by the decision to freeze Kuwaiti assets." He said: "The Iraqi government will not be able to benefit from those assets." Al-'Atiqi revealed that the legitimate Kuwaiti government has been able to withdraw some of its assets abroad in agreement with the countries concerned, part of which were spent for the benefit of Kuwaiti citizens at home and abroad.

The minister of information reported in detail on the Kuwaiti media at this stage, particularly with regard to the large number of Kuwaiti newspapers and magazines being published abroad and the transmission of [Kuwaiti] television programs from the Gulf countries and Egypt. He also briefed the cabinet on the manner in which the Kuwaiti case is being reported in the various Arab and international media.

It is worth noting that all the Kuwaiti ministries are functioning. The ministers concerned receive citizens and members of various committees. The ministers also maintain contact with their representatives in the various committees set up to monitor the condition of Kuwaiti citizens inside and outside Kuwait. Sometimes the situation calls for a minister to go personally to a location in order to attend to certain matters. Ministers are now visiting Arab and foreign countries for this purpose.

Government Will Guarantee Current Bank Accounts

90AE0303A London AL-SHARQ AL-AWSAT in Arabic
4 Sep 90 p 9

[Article: "Kuwait May Compensate Arab and Foreign Depositors But Credits and Debits Will Be Difficult To Prove"]

[Text] Kuwait announced for the first time since the Iraqi blitzkrieg that it plans to make good on deposits by Arab and foreign residents with the Kuwaiti banking system. The move would likely enhance Kuwait's diplomatic position in the Arab world.

The announcement was made by minister of planning Salman 'Abd-al-Razzaq in Al-Huda, a suburb of al-Ta'if in Saudi Arabia, which is currently considered temporary headquarters of the Kuwaiti government.

Kuwait is known to include [have hosted] some 1.5 million Arab and foreign residents who constituted 85 percent of the work force. Most of them were forced to leave Kuwait in droves because of the deterioration of security and living conditions since the invasion. They left behind all their savings on deposit with Kuwaiti banks—a matter that caused them great difficulty and became the source of sad stories about the many who lost their life savings.

There is no accurate estimate of the size of those savings but aggregate deposits with Kuwaiti banks amounted to some 14 billion dinars—about \$45 billion at pre-invasion exchange rates. Half of those funds was invested domestically in Kuwaiti dinars. The overwhelming majority of non-Kuwaiti small depositors denominated their savings in the dinar since it was a stable and strong currency that accrued good returns from Kuwaiti banks.

The official did not elaborate on the methodology for repaying residents but he mentioned that several banking customer records "may have been lost" or altered by Iraqi occupation authorities.

For that reason, funds due customers will be "estimates" as the Kuwaiti official put it. "This may be rewarding to some but detrimental to others."

It is to be pointed out that all Kuwaiti banks use computers to record transactions and input customer data. Several of them updated their records daily and maintained backup copies on tape or disc which they stored in secure places, usually outside bank headquarters, since they were maintained mainly as a hedge against loss or fire.

The primary problem facing Kuwaiti banks is that the employees who maintained those records have departed Kuwait in a hurry or are reluctant to come forward under current conditions. Bank managements find great difficulty in contacting them because communications with

the interior are down but even more so because people are fervently leaving the city in view of worsening water and food shortages.

AL-SHARQ AL-AWSAT learned from Kuwaiti banking sources in London that Iraqi forces wrested away bank safe deposit boxes generally used by individuals to store gold, jewelry, deeds and documents, and other valuables. The sources added that some of the safety deposit boxes were forced open by machine gun fire or "bombs." Iraqi authorities established committees to "manage Kuwaiti banks" but were not successful because of the nature of computerized records and difficulty in operating the systems or decoding the passwords that protect primary documents.

The National Bank of Kuwait is so far the only major Kuwaiti bank to state that it maintains full copies of its Kuwaiti records abroad.

Informed banking sources in London believe that the Kuwaiti initiative needs more study and preparation before it becomes operational since, as they put it, "this is the first time in modern history that banks find themselves in this position."

It is believed that depositors who have in their possession relatively recent bank statements will be able to prove their claims without much difficulty. For others, an "estimated idea" of their financial positions will depend on many factors, but especially on the "memory" of senior bankers, particularly those who handled customer accounts.

It would be easy for them, according to a Kuwaiti banker, to at least "recall" the approximate balances of major patrons but they will, of course, have more difficulty with the throngs of small depositors who may number in the tens of thousands.

Another problem is that dinar-denominated deposits have presently lost most of their value. Kuwaiti authorities have not indicated whether such deposits will be refunded at the dinar's current "rate of exchange" or whether repayment will be accompanied by some compensatory action that would peg deposits to a specific dinar exchange rate vis-a-vis a foreign currency such as the dollar.

Compensation, according to a Kuwaiti banker, should take into consideration not only deposits but also the patron's financial position, i.e. countermanding debts and obligations.

Kuwaiti banks are still closed at present, causing the remaining population a liquidity crunch that the Kuwaiti government attempted to alleviate a few days ago by intimating to the Kuwaiti Financial Center Company to distribute some liquid assets to the populace in return for certain receipts. The impact, however, remained limited because of the shortage of goods and wares available for purchase.

University President on First Month of Occupation

90AE0303B London AL-SHARQ AL-AWSAT in Arabic
1 Sep 90 p 13

[Article by Kuwait University Rector and Former Minister of Education Dr. Husayn al-Ibrahim: "Why I Invited Certain Arab Intellectuals To Commit Suicide!"]

[Text] We, Arabs and Kuwaitis, are entering the 29th day of the oppressive Iraqi occupation of my Kuwaiti fatherland. Let me review for us some aspects of this despicable occupation:

1- Plundering and pillaging were not limited to Kuwaiti homes and to bountiful commercial markets but extended to scientific institutions and high-tech companies—such as those involved with computers—whose primary objective was to serve the Arab nation, deliver it from technical illiteracy, and propel it into the 21st century. Scientific institutions were burned to the ground and with them data that was valuable and important not only to Kuwait but to the entire Arab world.

The University of Kuwait was plundered by Saddam's soldiers and all computers and laboratories snatched. The same fate befell the Organization for the Advancement of Science and Kuwait Organization for Scientific Research. Even the Israeli sweep of Beirut in 1982 did not harm universities or scientific institutions—not even its arch enemy the Institute for Palestinian Studies.

The conduct of the traditional enemy Israel contrasts sharply with the Iraqi occupation of a neighboring Arab and Muslim country. Didn't historians emphasize the barbarity of the Tartar occupation of Baghdad in burning down and dumping the books in the Tigris until its waters took on the color of ink? Was it not the intent of historians to show that was the ultimate brutality by a barbaric conqueror?

2- Flagrant violations of basic human rights by raping and torturing individuals; firing at women, old men, and children; forcible ejecting hospital patients, and evacuating prisons and mental institutions. Not even animals escaped the brutality of Saddam whose soldiers shot down the population of the Kuwait zoo in order to cause even more chaos and destruction. All that was committed by a Muslim Iraqi army in a peaceful Arab neighbor.

The situation was summed up by a bedouin asked by Dan Rather, a noted U.S. newscaster, to comment on the repugnant Iraqi aggression against Kuwait. He said with true Bedouin spontaneity: Shame, shame, shame.

I used to think I had many friends in Washington and throughout the United States in general and I deemed them comrades in the struggle for the Palestinian cause which I spent 20 years of my life serving with all my might and from whatever position I occupied.

I now ask those comrades, such as Dr. Clovis Maqsud, Dr. Hanna Batatu, and Dr. Edward Said, for their reaction and they respond: "We are sorry for what happened but we can not comment on the aggression against Kuwait and the barbaric acts that took place there because we oppose foreign presence on any Arab land. Those intellectual freedom fighters were unable to see the glaring fact that every action has a reaction and that the presence of foreign forces in the Gulf was caused by the Iraqi occupation of Kuwait. Can anything be more obvious than that?"

I therefore invited them from the bottom of my heart to commit suicide because they proved to be cowards. Clovis Maqsud, Arab League representative in the U.S., twice betrayed his trust. First, when he failed to condemn the aggression, began making excuses, and demanded an Arab solution when he knew full well that even Arab foreign ministers were unable to convene during the first five days of the assault. Second, he betrayed his office. When the Arab league resolved to condemn the Iraqi aggression and demand its withdrawal from Kuwait, and even after Arab forces were dispatched to Saudi Arabia, Clovis Maqsud did not discharge his duties as representative of the Arab League in the United States. He did not even reflect the spirit of the resolution of the organization which he is supposed to represent and whose instructions he is supposed to carry out. He hastened instead to submit his resignation in order to save face but we all know that [his claim that] he had reached retirement age was a mere pretext.

Dr. Hanna Batatu, on the other hand, is a Georgetown University Professor of the chair of the late Emir Shaykh Sabah al-Salim al-Sabah. That chair aims at bolstering Arab-American relations, and he has occupied it for the past eight years thanks to a Kuwaiti recommendation. Dr. Hanna Batatu disappeared from view during the initial period of Iraqi aggression and adamantly refused even to indicate his position and express his views through the media that contacted him to no avail.

The same held true in the case of Dr. Edward Said, the intellectual historian who teaches at Columbia University.

I do not mean by this article to open the books for accountability because that will be handled by the citizens of Kuwait when they return to their fatherland in the near future.

I remind you, nevertheless, of the bedouin's comment: Shame, shame, shame!

LEBANON

Lebanese Forces Deputy Commander Interviewed

90AE0353A Beirut AL-NAHAR in Arabic 4, 5 Sep 90

[Interview with Karim Pakraduni, deputy commander of the Lebanese Forces, by Michel Abu-Jawdah and Habib Shalug: "Harawi Is Sarkis the Second;" date and place of interview not specified]

[4 Sep 90 pp 1, 7]

[Text] Who knows Attorney Karim Pakraduni, deputy commander of the Lebanese Forces? Who doesn't know him? Mr. Pakraduni spoke in his well-known calm manner and better known intelligent approach about the al-Ta'if Agreement, and he said that it "is not the solution." Mr. Pakraduni expressed his fears that this agreement would be overwhelmed by Lebanon's and the region's complicated problems.

[Abu-Jawdah] Is there a proposal to resolve the situation in East Beirut, and is such a proposal part of the general solution?

[Pakraduni] Do you mean the best solution? How do you like your coffee? Pakraduni then went on to say, "The best solution would involve a united Christian force and a strong Lebanese government, and the practical one would involve an agreement in East Beirut under the legitimate government. To me, these two principles are lasting and invariable: a strong legitimate government ensures the harmony and unity of Lebanon, and a Christian force protects its independence. The stronger the Christian force, the stronger Lebanon's legitimate government becomes, and the more Lebanon's legitimate government relies on force, the stronger it becomes. This is the best suggestion we have now, but is it feasible? These are complicated matters."

[Abu-Jawdah] Will this be protracted, or ...?

[Pakraduni] There is no solution on the horizon, no solution. We might get a settlement but not a solution. The settlement that was reached in al-Ta'if is one that pleases no one. At the same time, however, no one is willing to die trying to implement this settlement or prevent its implementation. This means that until the first steps are taken to separate the crisis of Lebanon from the crisis of the Middle East there can be no solution. These two crises can be separated by starting Israel's withdrawal from the south since the crisis started with Israel's entry into south Lebanon. But as long as Israel's withdrawal remains unlikely, an ultimate solution for Lebanon is unlikely. What we now have is a temporary settlement, and the al-Ta'if Agreement is one possibility for such a settlement.

[Abu-Jawdah] Is a settlement in Lebanon still likely?

[Pakraduni] Yes, it is, because the danger to the al-Ta'if Agreement, on the one hand, is that of becoming overwhelmed by the area's complicated problems. [On the other hand,] the complexities of Lebanon's problems could once again overwhelm the al-Ta'if Agreement and turn it into a process of forming governments, appointing deputies, and settling accounts. The danger lies in the fact that instead of continuing to be a question of liberties and religious coexistence, the Lebanese question would become "a problem," a mere "problem." No one would then understand us, and no one, including the Lebanese, would care about us. People would no longer understand or care.

Normalizing the Situation

[Abu-Jawdah] People have this idea about a disengagement between army troops and the Lebanese Forces at the new centers. Why hasn't this happened?

[Pakraduni] You're talking about normalizing the situation. But this suggestion may involve normalizing a problem, not normalizing a solution. In other words, the problem is still with us, and what I fear is that we turn into a problem and fail, like all problems, or become forgotten and relegated to oblivion like every problem. The world can forget problems, but it cannot forget causes. In my opinion, reducing the problem in Lebanon into one of normalizing or not normalizing the situation in the eastern zone ultimately dwarfs Lebanon and the Lebanese. This means that I now favor magnifying our cause, not reducing our problem. Had it not been for a crisis like the Gulf crisis, matters would have remained frozen and deadly.

Ilyas the Second

[Abu-Jawdah] If you wanted to give President Ilyas Harawi advice about what to do after a vote is taken on the al-Ta'if Agreement, what would you tell him?

[Pakraduni] I would advise him to act like President Sarkis would act. He is Ilyas the Second. Pakraduni smiled and added, "He has a role model. He can do what Ilyas the First would have done."

[Abu-Jawdah] Does this mean that Dr. Samir Ja'ja' would become Bashir the Second?

[Pakraduni] And why not? He too may become Samir the First. Why shouldn't we adopt the successful role models we have and be mindful of them? Everyone is thinking of Bashir the First as a role model, but we must think about the Fu'ad Shihab model.

[Abu-Jawdah] Do you go back to what these two teach?

[Pakraduni] Pakraduni pointed to Michel Abu-Jawdah and said, "There was someone who served as Lebanon's pillar of support every day. He is sitting here. Today, all of Lebanon is served by two such pillars of support. They work one day, but not the next day. This is hardly enough for such an important matter."

[Abu-Jawdah] Which authority figures are making plans today?

[Pakraduni] Plans are being made now. Plans are indeed being made. But it is most important that Lebanese patriotism triumph over outside liaisons. I do not believe that a solution for Lebanon would come from abroad, but I can believe that a solution from inside Lebanon can be put to good use abroad. This is not to minimize the importance of the outside world and the regional game in Lebanon, but it is to place importance on the Lebanese and to emphasize their importance in saving Lebanon. This importance is not yet available.

That is, Lebanese patriotism is not an important condition now, but it will become an important condition one day. Solutions do not fall out of the sky; they develop out of a situation, and the whys and wherefores are looked into later.

[Abu-Jawdah] The Lebanese Forces hinted several times at amendments to the al-Ta'if Agreement. [Is that true?]

[Pakraduni] Look: in my opinion the al-Ta'if Agreement is one stage of the settlement or one stage of the solution. It may be a stage of the solution, but I do not think it is the solution. Actually, we have to watch what is happening around us because, in my opinion, the most important events now are the ones happening here.

Around Us: Nearby and Far Away

[Abu-Jawdah] Are you talking about what is happening around us nearby as well as far away?

[Pakraduni] Of course, I am. I think that what is happening in the Gulf will have an effect on the nineties. What is happening in the Gulf will have an impact on the nineties, and we are a part of the nineties and our causes will be those of the nineties.

[Abu-Jawdah] Because of a shift in the political concept held by Israel and the United States, the scholar, Mr. Muhammad Husayn Fadlallah spoke to AL-NAHAR about "a second Israel" and "a second America."

[Pakraduni] I don't know about that, but before talking about "a second Israel" and "a second America," we have to look at what is happening now in the Gulf. We have to watch events there unfold. A confrontation has occurred, and in my opinion, this is a confrontation that did occur, not one that will occur. It is a confrontation in the Middle East between Iraq and the United States, and it involves an economic war against Iraq at a minimum and a military war in the Gulf at a maximum. The chances for winning and losing are equal even though this is the first confrontation between a world superpower and a regional superpower. Although the regional superpower does not have the backing and support of another world superpower, I think it would not be right to think that Iraq could easily win in this confrontation, nor would it be right to think that a U.S. victory is assured.

Let us consider the possibility of a military war: this is something that would be more dangerous for Iraq and easier for America. In my opinion, America has a chance of winning such a war. It can launch a crushing strike against Iraq and give it a fatal blow during the first round. Unable to withstand such a blow, Iraq would surrender and America would realize a victory similar to the victory it won over Japan in World War II. But if Iraq is able to withstand the first strike and if it manages to strike back, there will be a military war of attrition in the area, and the outcome of that war will be favorable to Iraq. In a military war then either America will deal Iraq

a fatal blow in the first round, or Iraq will score a victory by points in the final round.

The Siege Did Not Succeed

This is what would happen in a military war. But if an economic war continues to be probable, what would happen at first is that America would be comfortable worldwide while Iraq would be hard pressed economically. Historically, however, the idea of an economic siege, even if force were used, has not worked. An economic siege has never worked. An economic siege would soon turn into a battle between the Americans, who are imposing the siege, and the Iraqis, who are being besieged. In other words, this would be a battle between an American aggressor and the Iraqi victim of this aggression. And instead of Iraq's presence in Kuwait being the issue, the issue would become America's presence in Saudi Arabia.

The gist [of all this] is that America would succeed if it can execute a military war and win in the first round by a knockout. But if we found ourselves in a military war of attrition, it is Iraq that would be in a favorable position. This is what happened to the United States in Vietnam, and it is what happened to the Soviet Union in Afghanistan. If the war were limited to an economic war, I believe that Iraq will be able to withstand the economic attrition of such a war. The United States, however, will not be able to withstand the political drain of such a war over the years. I am, of course, ruling out the possibility of Soviet mediation, which would turn this war into one in which there will be no winner and no loser. And that outcome is possible.

As an Arab, speaking from an Arab point of view, I am hoping that Iraq will triumph and the United States will fail. As a patriotic Lebanese I am also hoping that Iraq will triumph and the United States will fail. Maybe the U.S. failure in this instance will lead to the failure of the American-Israeli scheme in Lebanon, and the war in the Gulf would then bring us peace in Lebanon.

But I believe that America is America and Israel is Israel.

The Important Change

[Abu-Jawdah] Can you elaborate on this idea?

[Pakraduni] Let's go beyond that. I understand what the scholar Fadlallah is saying in his own way. He is looking beyond what is happening. Whatever the outcome of a war in the Gulf and regardless of who wins and who loses, I believe that what Saddam Husayn did in the Middle East has been earth-shaking and that what he did will have an effect on the coming course of the nineties. This means one man is changing a region, and this is something that happened several times in history. 'Abd-al-Nasir changed the region. I mean the Arabs were asleep until yesterday. The Arabs were fast asleep; they were in deep slumber, and they were dormant. It seems at first glance that Saddam Husayn managed to break up a superficial Arab unity. What I think, however, is that

the Arabs have been united, but they were asleep. There is no doubt that at the present time the Arabs are divided, but they are speaking up now. This means that Arabs are speaking up now, and they are being heard. What they are saying is shaking the Middle East and the world. I for one prefer a loud Arab voice to a dormant Arab unity. There is a confrontation between Iraqi chemical power and American nuclear power, and for the first time in the modern age there is a balance of terror between a world superpower and a regional superpower. For the first time Israel is not playing the part of a deterrent power against the Arabs, nor is it playing the part of a power that is protecting the interests of the West. That too is a significant change.

We have to remember the major milestones along the way. We have to remember the Algerian Revolution: the revolution of 1 million martyrs who triumphed over France under the leadership of Ben Bella and Boumedienne. We have to remember the state of 1 million demonstrators who stood against Israel in 'Abd-al-Nasir's administration. Today, Iraq has a 1 million man army that can stand up to America. The war which is taking place is a holy war for technology. If we were to look further into this matter, we would say that the specter of war was looming and that the fear of coups and revolutions was simultaneously insinuating itself. Either Bush will lose in the coming U.S. elections, or Saddam Husayn's existing regime will fall. At any rate, the specter of coups d'etat is looming and fears about coups d'etat have become evident. Saddam Husayn can be overthrown in Iraq by an American coup, and King Fahd in Saudi Arabia or Husni Mubarak in Egypt can be overthrown by an Iraqi coup. If we were to go even further, we would see that fears about coups d'etat were not the only fears. I believe we are on the verge of acquiring a fear of revolutions. What Shaykh Fadlallah may have meant when he was talking about a new America is that America came out of the cold war and its victory in that war over the Soviet Union with a new world order. Now there is only one power in the world, only one world superpower. At the same time the Arab world order started to change after Iraq's victory over Iran in the war between the two countries from which Iraq emerged as a regional superpower. In my opinion, this is a beginning, and the Arab world order may undergo more and more change. I also believe that a complete change in the geopolitical picture of the Arab world before the August 2 Kuwait operation started after that date.

[5 Sep 90 pp 1, 7]

[Text] A Faceless Lebanon

In the first installment of this interview Attorney Karim Pakraduni said that a solution did not lie in the al-Ta'if Agreement, and he said that President Ilyas Harawi was Ilyas the Second. He also spoke about the war in the Gulf, and he said it was likely that Saddam Husayn could be overthrown by an American coup and that King Fahd or President Husni Mubarak would be overthrown by an Iraqi coup. Today, Mr. Pakraduni resumes.

[Pakraduni] Look, Habib. Watch Hafiz al-Asad and learn the art of politics. When the Kuwait operation occurred, it was assumed and expected that the Syrian president would spearhead the confrontation against Iraq because we know that the animosity between Syria and Iraq is quite high. This is an animosity between two regimes, two parties, and two men. But the Syrian president acted with a great deal of caution and wisdom. Although he condemned Iraq's annihilation of Kuwait, he did not welcome the invitation that was extended to the Americans to come to Saudi Arabia. What the Syrian president did indicate that he feels there are new or evolving Arab facts.

On the other hand, Habib, watch Yasir 'Arafat and learn the art of risk taking. 'Arafat took a risk from the beginning by placing his bets on Iraq and on its victory over Iran. He is now clinging to Iraq as though he expected Iraq's victory in battle to carry him to the Battle of Jerusalem. In other words, he expects to have an understanding with Iraq. But I think that in the long term a sweeping popular movement will emerge through a possible coalition between Iran and Iraq, uniting the Shi'ite and Sunni movements and the Arab-Islamic movement as well. In other words, a huge genie will come out of its bottle, and it will be impossible to shrink that genie and to put it back in its bottle. It is obvious that this genie is the people's genie because the Arab people are on Iraq's side. Some Arab regimes are also on Iraq's side, but most of them are not.

We have no sense of that in Lebanon because in the forties, fifties, and sixties any mainstream Arab movement used to start in Lebanon, which was a free country, capable of protecting the freedoms of others. Today, such indicators can be found in Tunisia, Libya, Algeria, Yemen, the Sudan, and Jordan. They can also be found in the West Bank and Gaza as well as in Israel. At the present time the Arab People's Movement has taken off once again. A new Nasirism or a second Nasirism is emerging. Look at what happened in Europe. People versus regimes was the formula that changed East Europe in one year. It was an awakening of the people against old, worn-out regimes. I expect something similar to what happened in East Europe to happen in the Arab world in the nineties. That is why I believe that the picture of the Arab world in the late nineties will be completely different from the picture of the Arab world in the early nineties. And the onset of the change can be dated 2 August 1990, the date of the Kuwaiti operation. The story is that big.

Going Even Further

We can go even further if you wish. The people of the Middle East are more likely than the regimes of the Middle East to find a solution to the entire crisis of the Middle East. Iraq gave an example of that by the way it managed its peace with Iran. The Iraqi army was withdrawn from Iran and a peace plan that involved the withdrawal of all armies from the neighboring countries they were occupying was proposed. This means that

Israel is to withdraw from the Golan and from the West Bank, Gaza, and south Lebanon; Syria is to withdraw from Lebanon; and Iraq is to withdraw from Kuwait. Peace may be created when people are given the right to determine their destiny. The solution may lie in letting the people decide in a referendum that would be held tomorrow among people who have a cause. Palestinians would determine their own destiny, and they would determine what relationship they would have with Jordan and the extent of that relationship. The Lebanese would determine their own destiny, and they would determine the extent to which they would have a relationship with Syria; and the Kuwaitis would determine their destiny and the extent to which they would have a relationship with Iraq. What is happening now makes me say that we are witnessing now the dawn of the Arab people's age and the twilight of the Arab regimes' age. The story is indeed that big.

[Abu-Jawdah] Is this happening in Lebanon too?

[Pakraduni] I believe it is happening in Lebanon. Lebanon is the best or the most progressive model of interaction between regimes and people. In other words, the Lebanese people are living beings who were able to govern even in the absence of a Lebanese regime. And the Lebanese regime managed to survive even in the absence of the Lebanese army, the principal power behind a regime. That is why the spark of freedom would have emanated from Lebanon and not from the Gulf had Lebanon been in good health. But because Lebanon is now the sick country of the Middle East, no new life can emanate from it. Not only is a sick country unable to generate new life, it can hardly regain its own life and vigor.

In the fifties, that is, in the middle of this century, the wave of change started from the ocean and came to a stop at the gateway to the Gulf. By the end of this century, the change may start from the Gulf, but it will not stop at the gateway to the ocean. Since Lebanon is part of this large area, it too will undergo change.

[Abu-Jawdah] What about the Lebanese citizen who can play that role? Is he a sectarian Lebanese or a native Lebanese?

[Pakraduni] I want to say something here that I am personally convinced of. It seems unrealistic now, and I admit it is unrealistic, but it seems to me that it will be true tomorrow. I am certain it will be. The formula for a sectarian Lebanon with a Christian face ceased to exist when the al-Ta'if Agreement was ratified. By incorporating elements of that agreement into the constitution (amending the constitution) a new sectarian formula would be taking shape. This would be a Lebanese formula with an Islamic face. Although the face would be different, the sectarian mind-set would remain unchanged. But I believe that just as a Lebanese formula with a Christian face failed to build a modern Lebanese state, a Lebanese formula with an Islamic face will also fail to build this modern state for the year 2000.

A Faceless Lebanon

Becoming faceless would be the most dangerous thing for Lebanon. It would mean that Lebanon would become a state without meaning, without a mission, and without specific qualities. It would lose its role and its identity, and it would become a poor, backward and soulless entity that others would ignore. I am one of those who is quite convinced, and I am willing to wager that unless Lebanon becomes completely secular and non-sectarian, with religion remaining a matter of cultural authority and an important spiritual force, the sects will turn Lebanon into weak mini-states. Instead of all the amendments that are being proposed, I am one of those calling for one amendment. I am calling for the repeal of Article 95 of the constitution. The rest will follow.

[Abu-Jawdah] Some people who are optimistic about a solution have started looking ahead and making projections for six months and two years. How do you see Lebanon in six months and in two years?

[Pakraduni] I do not see a new Lebanon in six months. The militias were founded because of sectarian jingoism and because the Lebanese army is weak. I do not believe that sectarian jingoism can be wiped out in six months and a Lebanese army created. Wiping out sectarian jingoism requires many years, and the establishment of a Lebanese army stronger than all the militias requires years. Although strengthening the Lebanese army may require fewer years, in my opinion we are still talking about years, not months.

[Abu-Jawdah] What about the withdrawals?

[Pakraduni] Let us be realistic when we speak. The al-Ta'if Agreement is supported worldwide by America and supported in the Arab world by Saudi Arabia. Let me also say that when we talk about America here, we are talking about America and its allies, and when we talk about Saudi Arabia, we are talking about Saudi Arabia and its allies. But I don't see how the al-Ta'if Agreement will manage to bring about the withdrawal of the Israeli army from south Lebanon and enforce UN Security Council Resolution 425. Nor do I believe that America is in a hurry to have Israel withdraw from the south. I believe that the fact that Israel is not withdrawing from the south means that Syria is not withdrawing from the north and from al-Biq'a'. The weakness in the al-Ta'if Agreement lies in the fact that the withdrawals are contingent upon the enforcement of Resolution 425 and the implementation of a resolution which the United States is required to but does not want to implement. That is why America is talking about abolishing the militias and the withdrawal of the Syrian army, but it is not talking about the withdrawal of the Israeli army. That is why I think the withdrawals are more relevant to a solution for the Middle East crisis than they are relevant to a solution for the Lebanese crisis only. In other words, the mechanism which was set in motion by the al-Ta'if Agreement will not control the course of events in the Middle East, but I believe that it

is events in the Middle East that will control the al-Ta'if Agreement. I am convinced that it is the al-Ta'if Agreement that will adjust to the situation in the area and not the opposite.

The Formula and the Magnitude of the Problem

The al-Ta'if formula is hardly adequate for the magnitude of the problem in Lebanon. It is most certainly not adequate for the magnitude of the problem in the region. The crisis in Lebanon, which is greater than Lebanon, is a crisis that envelops the region.

[Abu-Jawdah] Is it possible to summarize and to say whether we are in a state of war or a state of peace?

[Pakraduni] The state we are in is one of no war and no peace. What is required of Lebanese leaders, especially the president, is a peace initiative on a scale that is as large as that of a war initiative. We do not want a peace initiative that would be less than a war initiative. It is men, not the constitution, who will create the second Lebanese republic, and I am still convinced that there are men in Lebanon who will give birth to the second republic of Lebanon.

[Abu-Jawdah] In other words, human beings and men are still required for the recent changes. Are you saying that the government of Prime Minister Riyad al-Sulh and President Bisharah al-Khuri repealed the article of the mandate but practiced independence?

[Pakraduni] That's exactly what I'm saying.

[Abu-Jawdah] In other words, it wasn't enough in 1943 for the Lebanese to rejoice because the article of the mandate had been repealed. Instead, they had to practice independence. Are you saying this is what happened?

[Pakraduni] Let us broaden the subject a little. Major ventures are being set forth now, and at least three of them, which have to be considered, have come out of the Gulf war. The first has to do with poor Arabs pitted against wealthy Arabs in what looks like a battle for justice and the distribution of Arab wealth. That is, Arab oil should be for all Arabs, not some Arabs. In Lebanon a battle for justice has been set forth between poor Lebanese and wealthy Lebanese. Although I do not know if any wealthy Lebanese are residing in Lebanon, there is no doubt that a battle for justice in the area is coming. The second undertaking has to do with the battle nationalists are waging against foreigners. This means that the battle has turned into one for lasting independence. We are fighting this battle now for lasting independence in Lebanon. The third undertaking has to do with the battle that is being fought by Muslim or Arab freedom fighters and Muslims against Israel. Lebanon is being asked to take a position on this third battle.

These three undertakings then, for justice, independence and fairness, are the same undertakings that will have to be pursued in Lebanon to get it out of the war. These undertakings require men who are up to the job. In other

words, it is men who make history and not history that makes men. Accordingly, it is not events that separate the men from the boys. I am convinced that the men of Lebanon will come through like genies coming out of their bottles. Despite the misery and poverty, I have not given up hope.

Syria remains the throbbing heart of Arabism; Iraq has become the steadfast shield of Arabism; and Lebanon will become the living conscience of Arabism.

MOROCCO

Government Turns Attention to Oil Shale Extraction

90AA0340A London AL-SHARQ AL-AWSAT in Arabic
7 Sep 90 p 15

[Article: "Moroccan Government Rediscovered Possibilities of Developing Oil Shale"]

[Text] Rabat—Morocco has again begun to attach special importance to the extraction of oil from shale as a possible alternative source of energy supply due to the constant rise in energy prices and the likelihood that oil prices will remain relatively high even if a solution is found for the Gulf crisis. Moroccan sources have told AL-SHARQ AL-AWSAT that shale rock which emerged in the early 1980's as an alternative source of energy is gaining special importance anew after years of oblivion and of diminished enthusiasm for this source under the circumstances of cheap energy which the world has enjoyed since the mid-1980's.

Morocco imports from abroad nearly 80 percent of the energy sources its economy needs. This costs the country dearly and puts pressures on its foreign currency revenues that go increasingly for the payment of the oil bill instead of being channeled toward investment in capital and developmental structures. Under the impact of the expected increase in the cost of this bill, Morocco has revived a concerted program to diversify energy sources and has given priority to shale rock in its national program. The most significant fields to which attention has been devoted are (Tamhadit and Terfaya) in the central province of southern Morocco. Geological surveys estimate that the area contains significant shale formations amounting to nearly 18 billion tons, with a production capacity of 71 liters per ton in Tamhadit. The studies also estimate that there are nearly 20 billion tons of shale rock, with a production capacity of 60 liters per ton, in Terfaya. Accordingly, the geological surveys assess that there are 6 billion tons of readily available oil in the two fields.

Morocco contains other shale rock fields capable of meeting other oil needs. These fields have been the subject of numerous laboratory tests in the United States, the Soviet Union, and Japan.

The National Petroleum Research Office has drafted a program to study the shale rock in Tamhadit. A budget of nearly \$11 million has been allocated for this program. The office has also concluded a protocol with the Dutch Shell Company which will set up in accordance with this protocol an establishment to discover, develop, and exploit shale rock in Terfaya. The experiment to exploit this rock began in 1979 and was called the 1983 plan. To develop this plan, the National Petroleum Research Office has developed a research program within the framework of a model unit built in Tamhadit. This plant is capable of absorbing and processing 80 tons of these oil rocks.

SUDAN

Writer Denounces Al-Bashir's Gulf Position

90AA0345A London AL-SHARQ AL-AWSAT in Arabic
9 Sep 90 p 13

[Commentary by 'Uthman Mirghani]

[Text] His excellency the lieutenant general, we do not side with your support of the enemy, your maneuvering over principles, your violation of covenants, or your attempt to justify injustice and the degradation of dignity and values.

We are a people known for our loyalty. We have a natural disposition toward principles, the imbibing of the values of peace and good neighborliness, and the rejection of abasement and oppression of it itself, or of others.

Therefore, your positions have shocked us, and your statements have hurt our feelings. The authentic Sudan has always sided with the Arab right, Arab legitimacy, principles, values, Arab and Islamic ethics, and international covenants.

We do not, and will not, support what you are doing to our good country and its tolerant people. We do not support your threats against sister states. We will not permit you to destroy our entire history and principles of good neighborliness, support of principles, and loyalty to brothers who have stood with us throughout misfortunes and calamities.

Perhaps you do not know, or wish not to remember, that the Sudanese in the west of our country nicknamed every plane carrying aid to them in the mid-1980s King Fahd, out of recognition of the Saudi initiative to supply them with continuous aid and support when they were struck by drought and rocked by famine.

Perhaps you also do not know, or wish not to remember, that Sudanese in every house and council have memorized by heart what King Fahd said to a Sudanese delegation that visited him in 1985 to present our problems to him. On that day, the custodian of the two holy places said that "Saudi Arabia is willing to share its bread with the Sudanese." How then do you expect the

Sudanese to support your positions and remain quiet about your statements and threats? How do you expect them to shed their skin and go against their conscience, their past, their principles, and their values of loyalty.

We see you brandishing intervention to protect the holy sites from what you described as foreign intervention. You would do better to speak of protecting Sudan's borders and territory in Darfur, or of achieving stability and peace in the south.

Moreover, perhaps it would be more useful to speak of realizing peace and security for Sudanese who, after 17 months of your rule, are still prisoners in their homes at the mercy of emergency laws, curfews, torture, and killing.

After taking these positions, what can you say to the Sudanese bride who was raped by Iraqi soldiers in Kuwait? How can you justify to her your support of the aggression against Kuwait and the presence of forces that violated her honor and murdered her husband?

Have you read the flood of cables from Sudanese emigre communities in the gulf, Egypt, and a large number of Arab and European countries, which disapprove of your government's position of not condemning the aggression?

Your logic and justifications for not condemning the aggression in order to undertake mediation are a cause for wonder. One who wants peace must condemn oppression. One who recognizes principles must reject aggression. True peace cannot be based on oppression or acquiescence to the aggressor. Defusing the bomb can only be achieved by rejecting aggression and restoring justice.

Talking about the foreign presence jumps over the facts and disregards the basis of the problem and the great injustice to rightness and the people of Kuwait.

Perhaps we erred in expecting that you would perhaps stand against aggression and support principles and legitimacy. Those who come with guns and move in darkness against legitimate governments cannot preserve principles, sustain loyalty, or support legality.

However, we are not with you. Nor will we be with you where you have gone. We will always side with rightness and legitimacy and against iniquity wherever it exists.

Durra Shortfall Reportedly Threatens Famine

90AA0345B Cairo ROSE AL-YU SUF in Arabic
10 Sep 90 p 23

[Article by Tariq Hasan]

[Text] A report prepared by a specialized technical committee in the Sudanese Agriculture Ministry stated that a famine has become imminent in Sudan and will occur if the Sudanese Government does not quickly cover the durra shortfall, which totals 1.7 million tons.

The report stated that, of the total of 6 million feddans that were planted with durra, only about 700,000 feddans have produced, each feddan yielding an average of three sacks (two sacks equal about one ardeb [198 liters]). As of now, the yield totals only 600,000 tons, which is from a region whose average production is 2 million tons, while other areas are recording negative production, as is the case south of al-Qadarif, in southern Darfur, and in Habiliyah, because of the deterioration of the security situation and the impossibility of agriculture in the southern Kurdufan area after it became an area of war operations in the fighting between the government and the rebel movement. Farmers have not been able to engage in agricultural operations in [original text illegible, possibly Damazin] and the southern areas for the same reason.

The report states that the main sources of durra production in Sudan are located in the areas of [original text illegible], [original text illegible, possibly Sasam], and al-Hawri (south of al-Qadarif).

A Sudanese agricultural expert who recently visited Cairo stated that the Sudanese agriculture minister visited the main production area in al-Qadarif two weeks ago and found that the strategic store of durra totals only 900,000 sacks, and it had declined to 500,000 sacks as of the morning of the 15th of last August. The stores of the Sudanese Agricultural Bank and the underground stores are completely devoid of durra.

The same source stated that the Sudanese Finance Ministry has estimated the shortfall to be about 1.7 million tons of durra, which is worth \$200 million at the rate of \$136 per ton (current market price). The pressing needs for September and October total 700,000 tons, worth \$90 million.

In a related development, the price of durra increased in Khartoum to 1,500 Sudanese pounds per sack, compared to 1,100 Sudanese pounds per sack in the production areas in al-Qadarif.

The technical report of the Sudanese Agriculture Ministry determined that the reason for the severe deficit in food staples in Sudan lies in the failure of agricultural and economic policies and the issuance of a number of contradictory decisions that decreed the replacement of cotton cultivation with durra cultivation in the al-Jazirah project, and the elimination of some areas of cotton and wheat cultivation. The area sown with cotton was lowered from 150,000 to 200,000 feddans, the area sown with wheat was lowered from 600,000 to 400,000 feddans, and an order was issued to sow durra on these feddans. However, the Sudanese irrigation administration reported that the amounts of water in these areas were inadequate for the cultivation of durra due to the scarcity of rainfall, given that the usual agricultural season in Sudan depends on two cycles of rain-based irrigation and a third based on systematic irrigation.

In the same context, the scarcity of rain has also adversely affected livestock, causing the migration of cattle southward, from the White Nile and al-Duwaym to the Bahr al-'Arab [River] in southern Sudan.

ROSE AL-YUSUF has learned from a high-level Sudanese source that the Sudanese Government sent a letter two weeks ago to the Food and Agriculture Organization [FAO] seeking aid to ward off the danger of famine. The FAO responded that the Sudanese Government would have to first declare a famine before the organization could address the international community.

The specialized technical committee in the Sudanese Agriculture Ministry implored the Sudanese Government to hasten to declare a famine in Sudan, so that the situation would not get out of control, because the acquisition of aid requires time, whereas the famine has already begun to affect areas of Sudan, such as the Darfur Region, the Southern Region, and areas of Khartoum.

Sudan experienced a famine in 1983 that led to the death of hundreds of citizens, because the government refrained from declaring an official famine, as Ethiopia did, which delayed the arrival of food aid.

INDIA

Commentary Criticizes Outcome, Concept of Reservation

90AS0456B New Delhi JANSATTA in Hindi
3 Sep 90 p 6

[Text] In Delhi College of Engineering, a candidate who had obtained a zero in every test subject was deemed suitable for admission, although because of discomfiture or for some other reason he did not take admission. The candidate belonged to a scheduled tribe and because the quota allotted to the scheduled tribes was not yet full it was thought necessary to admit him. This news can please those who have great faith in the welfare of the country and in the welfarist government. The very objective of the existence of our government is to uplift the backward and downtrodden people. To this end, it is quite essential that the backward and downtrodden people must exist, because if there are no such people then who will need to be uplifted? Just as to continue with the great programs to eradicate poverty the poor people must exist in the country. As there is much poverty and many poor people in the country, the government will become more and more welfarist. We can see for ourselves that the governments, one after another, are becoming more and more welfarist. Reservations in educational institutions are meant for those castes and tribes who might fall behind in general competitions. But in order to continue with the reservation policy, it is necessary that those castes and tribes continue to remain backward. It is a result of this kind of firm determination and hard work behind the system that today a candidate, who scored zero on all his text, had to be admitted into an Engineering college. If we continue to make progress in this direction, we can hope that in the future we will have many more candidates with a score of zero to admit.

Seen from another angle, our government has served the backward class of society in a more scientific way. Actually, not only at the caste level but at all levels, we have made being backward a matter of pride and not a matter of shame. One who was so backward has become so successful in his respective area. A corrupt political leader, a worthless officer, a dishonest businessman, a rogue student—we have placed them all in respectful positions in society. On the other hand, we consider the qualities of being laborious, honest, or truthful to be qualities of being backward. We have reversed our scale of measuring backwardness. We accept the backward as forward and those people as backward who generally used to be progressive and advanced. In this manner, we have assigned a great value to the quality of being backward and are determined to maintain this.

As a matter of fact, the candidate who was considered to be admissible despite scoring a zero should have been forced to take admission. The government could treat this as a symbol. The government should announce awarding a zero medal to this grade of students so that

others can also be encouraged to move in this direction. Because the zero has not been awarded to the student but to our government, it symbolizes our government. This zero stands for the success of the programs that were initiated by the government, and even after a lapse of 40 years of independence we cannot find a few tribal students worthy of passing admission tests. If nothing else, it is the greatness of our government, not only in the field of education but in every field, which has made things so worthless that only a zero has retained some of its value.

IRAN

Use of 'Fictitious' Name for Persian Gulf Deplored

90AS0463A Tehran ABRAR in Persian 6 Sep 90 p 1

[Text] In the name of God the Compassionate, the Merciful

As long as laws, principals, and standards which have been globally recognized and accepted—and which guarantee peace and calm—are being disregarded merely because of various governments' preferences, political games, and trends or their illegitimate interests, it is not surprising that every so often a crisis develops and turmoil escalates in a corner of the world.

Laws that have been accepted by the world community of nations are not formulated in order to suit the penchant of a government, a regime, or a politician who leads them. On the contrary, these laws are so designed to structure international and global relations on the basis of historical, geographic, and human values, standards, and principals. Indeed, adherence to these will result in the establishment of tranquillity, calm, peace, and stability in the world.

In every crisis and turmoil that occurs, one must look for signs of disregard for international and global laws in order to find its cause.

Why go far? Isn't the recent crisis in the Persian Gulf the result of disregarding the sovereignty of a country, transgression against the territorial integrity of a country, aggression against and occupation of a country?

It is interesting that countries that oppose and condemn the transgression against Kuwait are themselves violators of international rights and laws. Aren't those who have chosen fictitious names for the Persian Gulf, themselves, violators of global and international laws. We shall not get into historical arguments concerning the Persian Gulf since recorded history is in itself proof that the name "Persian" has been continuously used for this waterway. However, the question must be asked of those who claim to adhere to international laws that, why do they ignore the UN resolution concerning the use of the name "the Persian Gulf" for this waterway and look for Arab nationalism—which has been crushed under the

boots of dominance and arrogance—by using the fictitious name of the Arabian Gulf?

Perhaps more time and a suitable opportunity is required in order to punish these global conspirators who try to erase the word "Persian" from the name of this waterway and force them to use the correct and historical name of this waterway. However, it is regretful that some, inside our own country, are permitted to use the fictitious name of the Arabian Gulf.

The news bulletin of the Libyan embassy in Iran has, regretfully, found this audacity to use the fictitious name instead of the Persian Gulf and distributes its publications all across the country.

Concerning the use of the fictitious name for this waterway, the Foreign Affairs Ministry should have given ample warning to the embassies of all countries, who see the name "the Persian Gulf" as a thorn in their eyes so that, at least, the conspiracies of arrogance would not surface in such an ugly and offensive form.

If the Foreign Affairs Ministry cannot confront this conspiracy inside the country, then it will certainly be disarmed in the international arena facing the propaganda of the arrogant powers.

Handicrafts To Be Shipped to Western Countries Soon

90AS0466C Tehran ABRAR in Persian 26 Aug 90 p 3

[Interview with deputy minister of industries and director general of the national handicraft industries organization by IRNA in Hamadan; date not specified]

[Text] **With the operation of the first representative office of the handicraft industries in West Germany, soon the first cargo of Iranian handicrafts will be exported to Western countries.**

Yesterday morning, the deputy minister of industries and director general of the national handicraft industries organization made the above statement in an exclusive interview with IRNA in Hamadan and said: This cargo, which includes various Iranian handicrafts, will arrive in West Germany in the next few days.

He announced the value of the cargo at 300 million rials.

He pointed out: In order to find more markets and help the handicraft industries of the country thrive, in the near future, this organization will establish two other offices in other free-trade areas in the world.

Continuing, he emphasized the necessity of promoting the quality of the products of the handicraft industries by using high-quality raw materials and said: Seven hundred thousand German marks worth of pottery glaze and dye, various kinds of textile and wool dyes and dyeing materials, as well as foreign chemical materials have been purchased and imported by the organization of

handicraft industries to be distributed among the craftsmen in the near future.

Companies Under Mellat Bank To Be Moved to Private Sector

*90AS0466B Tehran RESALAT in Persian
6 Sep 90 pp 1, 15*

[Interview with Mehrdad Baqeri, director general and president of the board of directors of Mellat Bank, by RESALAT; date and place not specified]

[Text] Economic division. Given the government policy of the participation of the people in all the companies that have up to now been under Mellat [the people's] Bank, gradually they will be transferred to the people and the private sector.

Mr. Mehrdad Baqeri, the director general and president of the board of directors of Mellat Bank, announced this statement in an exclusive interview with RESALAT and added: In the area of the management of the banking network in the form of complexes and systems, not much has been done. Management in the first 10 years of the revolution has been concentrated and has followed and is following a pattern of centralization.

Mr. Mehrdad Baqeri said: We have decided to change the centralized system of Mellat Bank. The branches of the bank will be organized on a collective basis with a generalized view and will move towards Islamic banking. Only policy making will be done in a centralized form from top to bottom, and the executive management will be separate. At the present time, the management of the bank deals to a great extent with executive matters, the authority over which must ultimately be conferred on the branches. Of course, ultimately, the supervision and control of the director general and the board of directors will continue.

He added: The branches of Mellat Bank in recent months have gained more authority in decision making. This authority will be expanded on the basis of the capability and knowledge of the personnel in the branches in the future. At the present time, in some areas of credit transactions, the supervisors of branches, who in the past merely offered proposals, may carry out first-rate to sixth-rate credit transactions.

He pointed out: On the basis of the past procedures, even the executive and provisional activities of the bank were centralized within the domain of the activities of the director general and the board of directors. In order to solve this problem, steps have been taken and authority conferred on the supervisors of branches. We believe centralization is not in conformity with Islamic ethics and will reach a dead end in terms of implementation.

The president of the board of directors and director general of Mellat Bank pointed out: The bank engages in transactions as a trustee of the people and as their representative. In fact, the banker is a businessman. We

have been given power of attorney to work with the total deposits of the people in profit-making activities, to place the profit at the disposal of the people and to only take the fees for our services.

He emphasized: Today, banks in keeping with the direction of the five-year plan can act as a strong arm and, by expanding their activities, play a more important role. We believe that a banker must not be an operator of a company.

He pointed out: The employee of a bank is a banker, not a company man. On this basis, the transfer of units has begun. In the first stage, the shares of Sasan Hospital are being sold, and we are negotiating to sell the Ziaran meat unit. Gradually, all the units will be transferred to the people.

According to him, despite the decreased cash flow, the deposits of the people in Mellat Bank have increased by seven percent, which indicates the trust of the people in the banking network. At the present time, the volume of deposits in Mellat Bank is 2,300 billion rials, of which 1,000 billion rials will be utilized in transactions on the basis of the ratification of the monetary and credit council.

Concerning the law for interest-free banking operations, Mr. Baqeri said: This law, which has also been approved by the honorable Council of Guardians, conforms to Islamic contracts. But violations may occur in its implementation due to lack of knowledge on the part of the bank personnel and the people's lack of information about Islamic banking, which will be resolved in the future.

The director general of Mellat Bank said: To conform banking transactions and behavior with Islamic contracts and banking in terms of a religious duty and law, we believe that implementation obstacles must be removed. This issue is of special importance, especially considering that the interest-free banking operations law has been ratified by the Majles and verified by the Council of Guardians.

He added: Lack of awareness on the part of the people of the benefits and success of the interest-free banking operations law and Islamic contracts is one of the greatest problems that exist in this connection. Mellat Bank is trying to bring about public awareness, at least at the level of depositors, through publicity.

Concerning the principle that "the customer is right," he said: If the interest-free banking operations law is to be implemented, the trust of customers in the banking system is imperative. Of course, other grounds must also be prepared. As a service institution, the bank is obliged to gain the trust of the people. In this way, the volume of deposits will increase. Banks must expertly and with commitment safeguard people's deposits and, as representatives of the people and depositors, take steps in commercial and production operations. As such, the banks will only collect service charges, and the surplus

will be returned to the depositors. Therefore, as a servant, the bank must offer more services to the customers and its revenues be based on the consent of the customers.

He pointed out: Since the banking system is the trustee of the people's money, as a representative it has the right to utilize their property. Therefore, everything cannot be done with the people's money through orders.

He added: In order for the employees of the banking network to be able to serve the customers better, they must be kept satisfied. In this regard, some plans are being studied or implemented in Mellat Bank, including profit-sharing and reforms of salary and wage charts.

He emphasized: In the last seven months, while the new management has been working in Mellat Bank, efforts have been made to provide for the material and spiritual needs of the bank employees. In this connection, following the policies of the government and the Central Bank, beyond the fixed salaries, so far some amounts have been determined as rewards for "increased deposits," which ultimately will end in the banking employees sharing in the profits and losses. Also, reforms have been made in the salary and wage chart. With the ratification of the general assembly and the supreme council of banks, the salaries and wages of the employees of Mellat Bank will increase an average of 35 percent. In addition, with insurance coverage, the treatment expenditures of these individuals will decrease by 20 percent. The implementation of this plan began in Shahrivar [23 August-22 September] this year.

Mr. Mehrdad Baqeri, the president of the board of directors of Mellat Bank, pointed out: In order to educate the children of the employees of Mellat Bank, in coordination with the policies of the Ministry of Education, schools will be built. Also, numerous child-care centers are being implemented, some of which will be opened from the beginning of Mehr [23 September]. In addition, a transportation system has also been established.

He emphasized: In order to solve their housing problems, up to a ceiling of 8 million rials (800,000 toman) in loans will be given to the employees of Mellat Bank. In this connection, land is being prepared for complexes in order to solve this problem of the employees through the production of mass housing.

He said: The savings and welfare fund of the employees of Mellat Bank has been established, through which loans will be granted to them. After they retire, the saved amount will be returned to them.

He added: From the beginning of this year emergency loans to Mellat Bank of 24 times the salaries and benefits have begun.

He pointed out: For the comfort of employees traveling to the northern part of the country, resting places have been provided, and also colleagues who go to Mashhad

on pilgrimage may stay in a hotel which has recently been purchased. This hotel will open from the first of Mehr.

In conclusion, he said: As an old athlete, I believe that sports make the human mind healthier and would enable the bank employees to work in better health. For this reason, the building of a sports complex and stadium on Pasdaran Street is being studied, which will be implemented in the next three years. I believe that sports, more than being a bank propaganda tool, is a welfare and comfort tool.

Activities of Reconstruction Jihad in Villages Detailed

90AS0468B Tehran RESALAT in Persian 6 Sep 90 p 12

[Interview with 'Ali Yedqar, the Reconstruction Jihad's General Manager of Improvement and Housing by RESALAT; date and place not specified]

[Text] According to RESALAT's economic correspondent, he said: Iran is not the only country with the problem of rural areas and villagers. This even exists in the developed and advanced countries. The characteristics of rural areas are the high rate of natural population growth, the low per capita income, the low production capacity compared to the rate of population growth, the failure to deal adequately with services, and the high rate of migration to the cities.

Engineer 'Ali Yedqar, general manager of improvement and housing for the Ministry of Reconstruction Jihad, emphasized: Iran's rural population, which was about 13 million in 1335 [21 March 1956-20 March 1957], reached 18 million in 1355 [21 March 1976-20 March 1977], and about 22 million in the year 1365 [21 March 1986-20 March 1987].

The general manager of improvement and housing for the Ministry of the Reconstruction Jihad said: Since our agriculture is not centralized in huge farming and industrial complexes, and that agriculture is equated with rural life, to expand agriculture we must expand the rural areas.

He added: Social organization is also another major factor for attending to rural life. At 51 million, Iran's population now ranks 21st in the world. In the year 1400 [21 March 2021-20 March 2022] it will be 11th with a population of 130 million.

Studies show that in the year 1365 Iran's average village population was about 320. If this figure is increased to 1,000 by the end of the current century, there will be 64 million people in the rural areas and 66 million in the urban areas. At the same time, although population growth has not been checked, some basic thinking must be done about 45 million additions to the population. In other words, between 9.2 and 11.8 million new jobs must be created in those places. In the period 1355-1365 [21 March 1976 -20 March 1987], an average of 32,600 new

jobs were created in the rural areas, and in view of the above statistics, this figure must be tripled at least.

Engineer 'Ali Yedqar said: There are two views on planning for rural expansion. One calls for agricultural expansion, the other is based on expanding the total number of rural centers.

Concerning planning for rural expansion based on expanding the total number of rural centers, he said: Based on this view, agricultural expansion determines the dimensions, extent, and method of rural expansion. In other words, that set part of the population that is active in the rural areas in connection with agricultural activity must remain in the rural areas, and rural population growth, which is created through the growth of mechanization or the agricultural sector's inability to attract, must proceed as it does in the cities.

He added: This thesis is unacceptable in our country for two reasons, population change and the inclination to live in larger villages, as well as the inability to organize society.

He added: Reconstruction Jihad statistics for the year 1360 [21 March 1981-20 March 1982] show that one-third of the nation's agricultural land is in villages with fewer than 50 families, while these villages comprise 15 percent of the nation's entire rural population. This means centralization of the population in large villages, decreased employment, and movement in the direction of non-agricultural employment in the industrial and service sectors.

The general manager of improvement and housing for the Ministry of Reconstruction Jihad discussed the inability to organize society. He said: If the surplus population in the rural areas that is unable to work is to migrate to the cities, experience shows that we are not able to organize this population in the urban areas. In the years 1345-1365 [21 March 1966-20 March 1986], about 7.5 million people moved from the country to the city. Assuming the growth of agriculture in the rural areas, in the next 20 years this figure will reach 20 million, which is basically incompatible with the government's policies of decentralization.

Engineer 'Ali Yedqar said: The most important problem of the developing nations is not plans that can be implemented, it is an executive system that can realize and implement those plans, and this is due to the legacy of imperialism in those nations. The Reconstruction Jihad has planned from the very beginning to achieve this. Although there is no specific strategy in our country for expansion on the basis of which rural expansion can be modeled, telling us whether to move in the direction of agriculture or industry, and in the sectors priority and attention have been given to agriculture while the figures on resources, credit, and other matters indicate less attention to this sector, we have concluded that the rural centers which are by definition heavily populated and which can be relied upon economically must be chosen and planning must be done for them. In reality, the rural

centers are being used as the engine and support for the expansion of other rural areas, and the Reconstruction Jihad has begun its improvement activities on this basis.

Concerning what is meant by improvement, he said: Improvement is the preparation and implementation of a comprehensive plan. While carrying out economic and social studies in the village and the rural areas under its influence, work is done on planning services in the village, and ultimately it prepares plans for the rural centers.

The general manager of improvement and housing for the Ministry of Reconstruction Jihad discussed the main goals of the improvement project. He said: The chief goals are to create agricultural support centers and establish industrial units, develop commercial services, improve the physical living environment, create suitable environmental conditions for establishing specialist manpower in the rural areas, obtain the services that exist in the rural areas, and create the necessary conditions to prevent and make relative adjustments to migration to the cities.

He added: Based on statistics from the Iran Statistics Center, by the year 1380 [21 March 2001-20 March 2002], assuming there is no migration to the cities, the nation's rural population will increase to 38 million, and we will have a surplus population of about 13.5 to 15.5 million that cannot be active in the agricultural sector. In the same connection the other sectors such as industry must also be active, which of course requires factors such as accumulation, the existence of foundations, a suitable infrastructure, and the transfer of technology.

Concerning the development of the commercial services sector in the rural areas, he noted: One of the suitable indicators for expansion is the distribution of national income in various sectors, which is not good in our country. Agriculture, with 29 percent of the work force, has 17.3 percent, industry with 24.7 percent of the work force has 18.6 percent, services with 45.7 percent of the work force has 43.2 percent of the national income, and in this the rural share is quite insignificant.

He emphasized: If we are able to design a new rural economy, for which 50 percent of the revenue is derived from agriculture, the other 50 percent from services and agriculture, due to a quick return, especially on services, the rapid circulation of money and the creation of employment, in the short term we will be able to make major changes.

The general manager of improvement and housing for the Ministry of the Reconstruction Jihad discussed the factors causing migration to the cities. He said: Studies show that the reason for migration from rural areas to the cities is not simply income. In other words, increasing income alone will not stabilize the rural areas. Another important factor that must be considered is delivering services to the rural areas and making use of them, and the improvement effort seeks to achieve this.

Concerning the improvement activities of the Ministry of Reconstruction Jihad, Engineer 'Ali Yedqar noted: In the four years in which the Reconstruction Jihad's improvement plans have been made and implemented, this organization, despite the problems arising from the newness of the project and the lack of information and statistics has been a suitable model and has had outstanding specialist manpower. The project has created 300 rural centers and 140 of them have gotten to the implementation stage. There are now 1,100 villages being researched for improvement projects. Likewise, 700 villages have been photographed from the air.

He added: The experimental phases of the improvement project were inspected by United Nations officials, and arrangements were made so that with the involvement of experts from other nations like ours, a new experimental phase will be carried out by the Reconstruction Jihad with funding from the United Nations.

Engineer 'Ali Yedqar discussed research pertaining to the improvement effort. He said: The research must give an answer to comprehensive rural expansion needs. The subjects researched so far are: (1) A prioritizing project for villages with more than 100 families, which includes 12,000 villages. (2) A study of the economic and social returns for carrying out improvement projects in the Province of Hamadan. (3) Rural development before and after the Islamic revolution. (4) The course of rural population change, with the cooperation of the Iran Statistics Center. (5) The effects of carrying out development projects on rural expansion, in cooperation with Tehran University (now underway). (6) The preparation of models for improvement projects (in cooperation with Tehran University).

He discussed the results of involvement in rural areas, experienced and knowledgeable manpower, and the resources, equipment, and social relations of the Reconstruction Jihad compared with other organizations as reasons for the necessity that the Reconstruction Jihad carry out improvement efforts. He said: The involvement of the Reconstruction Jihad, in view of its commitment to overcome rural deprivation and its other responsibilities, shows that the most relevant organization in the entire period since the Islamic revolution in the area of rural development activities is the Reconstruction Jihad.

He noted: Special equipment and machinery are required to carry out improvement activities, and the Reconstruction Jihad can easily carry out these activities because it has that executive experience. It is clear that if improvement activities were to be transferred to another organization, great expenditures would be required to obtain these resources, and this is not in the nation's interest under current circumstances.

Concerning social relations, he said: Because of its populist essence, on the one hand the Reconstruction Jihad is aware of the pains and needs of the people, and

is capable of designing improvement projects that conform to regional resources and rural needs. On the other hand, with this organization's popular acceptance, many problems and conflicts that threaten implementation of the projects will be prevented.

If view of the foregoing matters, the transfer of improvement of activities to another organization not only would not succeed, it would also undermine that organization's credibility and prestige and it would damage the useful and valuable experiences of that revolutionary organization in the area of housing.

He emphasized: As an expert, not as an official, I believe that if the improvement activities are properly carried out, we will be able to utilize that as a gift from the Islamic Republic of Iran and a model for the Third World, and I even submitted an article on this at a United Nations conference. I presented the subject of improvement projects at a commission attended by 500 participants from 105 nations and it was welcomed to an extent and set as an area of discussion for the next year.

At the end of his talk, Engineer 'Ali Yedqar, general manager of improvement and housing for the Ministry of the Reconstruction Jihad, said: In view of the power and ability of the Reconstruction Jihad in recent years, this organization's success in the area of rural development and the shortage of equipment, machinery, and manpower in the other organizations, it is in the interest of the nation that improvement activities remain in the Reconstruction Jihad, as provided in the government's old bill to the Majles.

It is necessary to note that this interview was conducted before the recent Majles legislation concerning duties and responsibilities.

New Policies Planned To Improve Non-Oil Exports

90AS0466A Tehran ABRAR in Persian 5 Sep 90 p 2

[Text] The minister of commerce announced: The new system of distribution of goods is being studied and will be presented to the economic council after the necessary preparations have been made.

Also announcing the creation of an export guarantee fund to prevent losses to exporters, he said: In order to reduce bureaucracy, credit has been opened for the needs of every ministry upon the approval of the minister and without the need to examine the registration of the order.

Concerning the new policies and facilities of the government devised in order to strengthen non-oil exports, Mr. Vahaji said: Before the institution of the new export policy, exporters were obliged to submit their deposits to the bank, but now these individuals can choose to either give them to the banks or directly import the raw materials and spare parts needed for production. Such implementations were very limited in the past.

He added: Exporters also may import packaging and other equipment and necessities to complete the export lines.

These individuals may transfer the letter of deposit to a third person for imports or exports.

The minister of commerce pointed out: The export and import law, soon to be ratified in the Majles, will remove the obstacles in this connection as well.

He then referred to the fact that concentration of exports in the center for development of Iranian exports has not yet become practical, he said: In order to prevent losses to the exporters, an export guarantee fund has been created.

Then, emphasizing that imports at competitive foreign currency rates will continue to be in effect, the minister of commerce said: As a result of the implementation of the plan (26 November 1988), by the end of last year, with all the import permits, \$2.2 billion worth of goods had been exported. He added: This figure so far this year has reached \$1.1 billion and is anticipated to increase by the end of the year.

On the other hand, in order to reduce bureaucracy, credit will be opened for every ministry upon the approval of the minister, without the need to examine the registration of the order.

Concerning the facilities for the issuance of trade permits, the minister of commerce said: From now on, the trade permits will be issued within a week to 10 days by mail in order to prevent the waste of time of the applicants.

Concerning procuring essential goods, Mr. Vahaji said: This year, the Ministry of Commerce is responsible for procuring essential goods, and in this connection, \$1.6 billion worth of goods will be purchased, which is an increase of five times that of last year.

He added: This year, employee coupons will not be distributed.

Concerning the distribution division, he said: According to the ratification, 210 items will be produced with competitive foreign currency, and cooperatives, guilds, institutions, and economic stores will be in charge of their procurement and distribution.

He also pointed out: By the end of this month, a new plan for the distribution of goods will be presented to the economic council, which will be quite different from that of the past.

Concerning the procurement of goods for married couples, the minister of commerce told IRNA: Since the beginning of the work of the new government, 418,090 married persons have been waiting their turn to receive goods. This figure reached 770,674 by the end of the first quarter of this year.

He added: So far, goods have been provided for 487,979 married people. By the end of Aban [21 November] this year, the remaining married people will also be eligible to receive goods.

He emphasized: The registration of married people continues as before, and if anyone sees any violations, they must be reported to the Ministry of Commerce to take the necessary steps.

In regard to the distribution of student writing materials, the minister of commerce said: The plan to distribute writing materials this year will be carried out in two stages, at the beginning of Mehr [23 September] and at the end of the year. The total funds for the plan at government rates will be 8 billion rials, and the price of these items on the open market will be 50 billion rials.

Concerning the distribution of steel, Mr. Vahaji said: Since the beginning of this year, 450,000 tons of steel, with the exception of pipes and sheet metal, have been distributed for all people's plans, projects, and needs, and 153,000 tons of steel have also been offered through the Ministry of Mines and Metals.

He pointed out: Steel from abroad was purchased in Khordad [22 May-21 June], and the first cargo has been imported.

In conclusion, concerning the delivery of wheat to the silos in the country and the fact that so far 900,000 tons of wheat have been delivered, the minister of commerce said: Considering the increase in production this year, wheat imports will be reduced this year by more than a million tons.

PAKISTAN

Editorial Questions Jatoi's Political Moves

91AS0004B Lahore VIEWPOINT in English
6 Sep 90 p 5

[Text] Care-Taker Prime Minister Ghulam Mustafa Jatoi met MQM [Muhajir Qaumi Movement] leader Altaf Hussain in Karachi on Friday, and the only matter of substance that was publicly revealed after the meeting was that MQM workers arrested during the tenure of the previous Government would be released. The MQM has long argued that those arrested were implicated in false cases and there was no ground to hold them in custody. Indeed, this had become one of the major sticking points in the discussions carried on with the MQM by the PPP [Pakistan People's Party] Government, which maintained that it had evidence against the arrested workers of involvement in terrorist activities and that releasing them would mean putting a premium on terrorism. Arrests were also made of Sindhi extremist elements implicated in similar crimes. No political worker should be held on a charge that cannot be sustained in a court of law, but the honest thing for Mr Jatoi to do would have been to say that all cases would be reviewed by an impartial tribunal, perhaps a High Court judge, the

evidence against each accused evaluated, and if anyone was found to have been falsely implicated, he would be set free. If there can be special tribunals and courts to try politicians on the most generalised of charges, surely one High Court judge can be spared to look into cases of people who are alleged to have taken part in heinous crimes. As it is, Mr Jatoi seems to have succumbed to the MQM's pressure tactics, and all, alas, for the narrow political gain of securing that organisation's support during the forthcoming (proposed) elections.

It is even more distressing that neither Mr Jatoi nor Mr Altaf Hussain appear to have made any attempt to discuss the Sindh situation in any depth. The crisis in that province goes far beyond the mere question of a few arrests. If the PPP Government had sometimes given the appearance of tackling the ethnic divide there on a purely administrative plane, the Care-takers look as if they are going to cancel out even the few gains that were made in checking violence and bringing the culprits to book. Mr Jatoi may plead that he is at the helm only for a short while, and that it is not the Care-takers' job to tackle problems that require far greater time and attention than the present administration can devote to it. But it appears to have no such compunction in taking wide-ranging decisions that affect the fortunes of those whom it considers to be its political opponents. It is arresting PPP workers and legislators while it talks of releasing MQM detainees. Within hours of the tragic blast in a railcar on Thursday, one of the ministers in the Care-taker Government had blamed it on the PPP as if he already had proof in his hands. Given the totally one-sided political orientation of the Care-taker Government, perhaps it is idle to expect any attempt at even-handedness. The President's statement that all horses are free to graze where they chose has been taken by the Care-taker Government as carte blanche to use all means fair or foul to consolidate its position. But the President should tell the Care-takers that the situation in Sindh is too sensitive to permit anyone to deal with it on a casual and immature basis. The PPP Government was accused of playing politics with the situation. What is Mr Jatoi now doing?

Commentary Calls for 'Sense of Direction' in Politics

91AS0057C Karachi DAWN in English 25 Sep 90 p 9

[Article by Dr Mohammad Waseem. First paragraph was in boxed in area in article.]

[Text] The State of Pakistan, like any other State in the contemporary world, must reach out to acquire a sense of direction, a vision of its destiny and a working agenda from society at large.

The dyarchy has again failed in Pakistan. President Ishaq and Prime Minister Benazir Bhutto could not make it a success after all. Previously, the experiment of dyarchy between President Zia and Prime Minister Junejo had also failed in 1988. What is the common

factor between the two? Why did the two partnerships crumble down? Is it possible to make the expected post-24 October dyarchy a success?

Prior to the two recent dyarchical arrangements on top of the federal government in Pakistan, there was only one attempt to create dyarchy of a sort. It was between President Iskandar Mirza and Prime Minister Ayub. However, it lasted only for 20 days, i.e., from 7 October to 27 October 1958. Also, its nature was different. President Mirza enjoyed his position owing to the 1956 Constitution which he himself had abrogated. The source of power had thus shifted to the military whose commander-in-chief General Ayub enjoyed real power. In the extra-constitutional set-up of the Martial Law Government, it was logical to see President Mirza exit from the scene. What is surprising is how he could embark on a path which was destined to lead him into a cul-de-sac in the first place.

The case of Junejo and Benazir Bhutto government is different. The Eighth amendment in the 1973 Constitution introduced a power-sharing formula. Under this formula, the Prime Minister represents the majority in the National Assembly. His or her role lives and dies with the Assembly. On the other hand, the President, even while formally put in office by members of the Senate and National and provincial assemblies, is essentially a product of the Constitution, as it exists today. The core of the establishment, the military, is seen as the power behind the President. As the dyarchy has developed from mid-1985 onwards, the President has come to represent the permanent power structure, while the Prime Minister represents the nation's will at any given time. The former needs the latter for legitimacy purposes only. The latter is dependent on the former's role as representative of the power structure.

A dyarchy of this kind is inherently unstable. For example, the sources of strength for the two partners-in-government are different from each other. One is the spokesman of the civil-military establishment of Pakistan. In earlier days this role was filled by a person in uniform. Since 1985, it has become possible to abrogate the Parliament without imposing martial law. Indeed, the argument put up by the protagonists of the Eighth Amendment is that it was no more necessary for the military to take over the government whenever it felt unhappy over the state of affairs in the country. The Amendment has provided it with a constitutional way of dismissing the government whenever it was no more desired, and then moving on to forming another government via another exercise in mass mandate.

The critics of the Eighth Amendment look at it differently. In their view, the dyarchical arrangement envisioned by this amendment violates the basic principle of parliamentary sovereignty. They raise the question: how can an office outside the supreme legislature of Pakistan do away with the collective will of the whole nation in one go? In their opinion, the President has become the most powerful office of this country, while he is not

made responsible to any institution. This is contrary to the way an elected federal government is responsible to the National Assembly and through that, to the nation at large. There is, therefore, this dichotomy in the constitutional structure, i.e. for the President all power but no responsibility, and for the cabinet government all responsibility but no sovereign power.

The two views are not compatible with each other. Each has its own logic. And yet, every martial law government in Pakistan has been forced to seek legitimacy through mass mandate. Therefore, the establishment is now acutely conscious of the negative consequences of a direct military take-over in terms of general popularity of such a regime, opposition of political parties and articulate classes in general as well as a possible squeeze over financial flow from abroad accompanying the censure of world opinion. Therefore, it would like an indirect, behind-the-scenes control over decision-making on top. The present system of dyarchy was devised to serve that purpose. After the dismissal of governments and assemblies at both federal and provincial levels—first in 1988 and now in 1990—this system seems to be losing whatever moral legitimacy it claimed to have.

In 1988, President Zia found his own nominee as Prime Minister, Mr Mohammad Khan Junejo, no more acceptable at the helm of affairs. He also found the assemblies unacceptable any longer even though they were elected under his own queer formula of non-party polls which were boycotted by the MRD [Movement for the Restoration of Democracy]. Now, in 1990, the national and provincial assemblies and governments have again been dismissed. Again, the same candidates are fighting elections on 24 and 27 October who were occupying seats in the previous assemblies. Again, the allegations of corruption and malpractice have been hurled on the ousted government in Islamabad. All this means that the problem of installing a federal government acceptable to the establishment is nowhere near a solution.

What would or should the establishment do? Its repeated use of the Eighth Amendment has rendered the present form of parliamentary rule in this country suspect—ineffective and unreal in the public eye. The accountability process has boomeranged, costing the caretaker government a great deal in terms of credibility. Perhaps the establishment has been asking itself wrong questions and has landed in trouble while trying to answer them. For example, no person who has an eye for the real-politik of this country would consider keeping or not keeping parliamentary rule as the basic question. Unfortunately, military dictators in the past tried to tamper with it and were publicly discredited. While Ayub went as far as introducing presidential rule in the form of the 1962 Constitution, Zia tried to create one under a parliamentary cloak. Both stumbled.

Similarly, political parties which have served as the greatest consensus-builders in Western democracies as well as in India were considered villains of the piece and

were often done away with in Pakistan. It is ridiculous to expect politicians to conform to party rules while parties are liable to be rendered defunct at a moment's notice. Institutions thrive on the respect they enjoy at the hands of the powers that be. There is a direct road from non-party polls to horse-trading.

Even more significantly, the curse of patronage is born out of a government's weakness. The more insecure a government is the more will it opt for a shopping spree in the market of prospective supporters, be they MNAs [Members of National Assembly], MPAs [Members of Provincial Assembly], trade unionists, journalists, bureaucrats or public activists. The establishment has been stuck with a wrong question: how not to let an elected government take over power of decision-making. Instead, the basic question it should ask is how to facilitate the formation of a strong, stable and lasting government through public polls, capable of steering the nation out of its myriad problems of ethnic integration, economic development and social welfare.

From the post-1919 dyarchy in British India to the dyarchy of present day Pakistan, we can observe a certain principle of instability underlying this peculiar arrangement. The British represented alien rule. Unfortunately, the civil-military establishment in Pakistan has also allowed itself to be isolated from society through recurrent military or constitutional coups. Instead, it should utilise the formation of a popular government enjoying as large a mass mandate as possible, preferably backed by an organizational platform—to link itself with the society on a reasonably permanent footing.

A modern polity is known by the level of integration between the state and society. Political parties are the best means to achieve this goal. Formation of a party-based government, legitimised through an unhindered electoral process, should be the greatest priority of the establishment. A state is like an extremely powerful engine which needs a direction and a goal, and which, therefore, must be driven by a driver installed in his seat. The state must not become an automate. State of Pakistan, like any other state in the contemporary world, must reach out to acquire a sense of direction, a vision of its destiny and a working agenda from society at large. Unfortunately, the reverse is true, inasmuch as the present dispensation has given the state a veto to nullify society's will as expressed through its chosen representatives at a given time. The dyarchy is facing grim challenge of a legitimacy gap.

Lack of Dynamism, Neutrality Said To Mark Interim Period

91AS0055C Lahore VIEWPOINT in English
20 Sep 90 pp 5-6

[Text] The scene so far is that most people believe that it would be extremely difficult for the President and the Care-taker administration not to hold elections as scheduled on 24 October. Although the 6 August action of the dismissal of the Benazir Bhutto Government and the

disbandment of the assemblies had momentarily caught everyone off guard and stunned the nation, raising the worst fears of another non-political intervention in the country's affairs, popular interest in elections has picked up in recent days. The politicians are going through all the required motions, and nominations for the National and provincial assemblies came in thick and fast by the closing dates last week. There is a widespread feeling that if the crisis artificially precipitated last month is to be contained before it inflicts further damage on the national fabric, there is no option except to strictly follow the election schedule and ensure that, as far as our inherent knavery will permit, the polling is held freely and fairly and seen to be as such. More than of the Care-takers, it is the President's prestige and credibility that is at stake in the conduct of the elections. The Care-takers came through the backdoor; they are here today and may be gone tomorrow. It is the President who made the 6 August move—at whosoever's behest—and who held out the promise of free elections in his address to the nation. It is now his responsibility to ensure that the Care-takers and the IJI [Islamic Jamhoori Ittehad] stalwarts whom he has helped to get into office behave.

Unfortunately, several developments in the past couple of weeks show that the neutrality promised by the President is not being observed in practice. There is first this whole business of accountability: till this writing, not a single case of wrongdoing had been brought against any non-People's Party holder of public office. This contrasts with the four cases filed against Benazir Bhutto and against several of her Ministers. In addition, the trial by media continues, with stories circulated by the official new agency implicating PPP [Pakistan People's Party] members in charges that have not yet been brought before any court. The Information Minister in the Care-taker Government at the Centre had said in Lahore a few days ago that federal agencies were also looking into allegations against those who had run (and many of whom are still running) the Punjab. However, either the investigation agencies are thoroughly inefficient or the ex-Chief Minister of the Punjab and his associates were absolute angels while in office because not a single case has been filed against any one of them. The detailed charges levelled by a PPP spokesman need at least be contradicted point by point to remove suspicions from the public mind.

Second, there is the conduct of the Care-taker governments in the run-up to the elections. Large-scale arrests of the political opponents of those in power now have been reported from Sindh, and there has been much bestowal of favours and funds on local bodies. Some of the things being done in the name of development work may not be illegal, but the object is clear, and it is crudely dishonest. It will be argued that wrongdoing of this kind is endemic in our system. But if that is so then the charges against the PPP Government brought to public notice so far also fall in the same category. The credibility of the present set-up has been low from day one: it will erode further if the activities now being indulged in

by the Care-takers go unchallenged and unchecked. The one way in which the President can most effectively establish his neutral credentials—if he feels the need to do so, that is—is to look closely into all the irregularities reported and announce the measures he is going to undertake to guarantee the fairness of the coming polls.

The question of identity cards is also important. The production of an ID card has been made mandatory for all voters of the time of polling. This has always been a controversial issue in view of the fact that the bulk of our people in the rural areas are not sufficiently motivated to obtain identity cards—which puts populist parties with support in the countryside at an obvious disadvantage. But a decision has now been taken, and generally accepted by the political parties. What can be done now is to facilitate the issuance of ID cards, and in this respect, political party workers can play a useful role by helping citizens to complete the necessary formalities in time and pointing out any irregularities that come to their notice.

As for the fortunes of Benazir Bhutto, nothing can be said with certainty at the moment. There is a new rumour every day, and the cases against her in the special tribunals are continuing. The one thing certain is that the IJI and the Care-takers are determined to keep her out of power at all cost. The IJI's move to field one joint candidate against the PPP in every constituency represented a well calculated strategy that could be particularly effective in cases where the PPP had won with a minority share of the total votes in the elections in 1988. However, the IJI's internal contradictions have so far prevented a definite and concrete shape being given to the one-to-one tactic; perhaps the situation will be different by the time withdrawals are completed on 30 September. The PPP's basic support seems intact, but whether it will eventually swing the outcome in the party's favour—and if it does, whether the verdict will be acceptable—remains to be seen. Meanwhile, there will be a sense of disappointment at the fact that neither the PPP nor the IJI have made any serious effort to break away from the feudal-big money pattern while selecting their candidates. Most of those given tickets are the same legislators who had peopled the disbanded assemblies. This is perhaps an indication of the general lack of dynamism in our political system—a weakness that will remain and may become aggravated if the political process continues to be rudely and abruptly tampered with from time to time.

Political Turncoats Said Making Elections 'A Farce'

91AS0006D Islamabad THE MUSLIM in English
15 Sep 90 p 4

[Text] While the nomination of candidates to electoral contests is certainly the unqualified prerogative of the concerned political parties, and nobody seems sure yet of how many of those fielded in the current fray may in the

event be disqualified to contest, there are certain minimal norms of democratic conduct which the electorate would justifiably have expected of the political parties in this regard. Perhaps the most important of them in our national context is the need to accord primacy to political fidelity. The outgoing democratic era saw such a blatant change of loyalties by elected representatives at various levels as to constitute a dismal record of opportunism at its ugliest. There may not be much to choose by way of policy-commitments between different parties contending for nothing more than power for its own sake, but for a public representative elected to the legislature on the nomination of a party to cross the floor is a flagrant violation of his electoral mandate. The act represents the scant regard, if not outright contempt, with which the legislator treats the sacred trust reposed in him by his electors.

That the political parties, too, did not feel any scruples about not only welcoming such adventurers to their folds but also about rewarding them handsomely through even giving them ministerial berths to secure the continuity of their changed loyalties, is a sad reflection of the parties' skin-deep commitment to democratic principles. Nevertheless, it could have been expected that such turncoats would have lost their dubious utility to their new political masters with the unceremonious dismissal of elected Houses on 6 August. Everything else notwithstanding, the fresh round of electioneering did provide the political parties with an opportunity to make a clean, fresh start. Without a doubt, the nomination of such individuals as candidates who had at least shown some respect for the discipline of their respective organisations should have remained a major consideration with the contending parties.

What has transpired, however, is that both the PPP-PDA [Pakistan People's Party-People's Democratic Alliance] and the IJI-COP [Islamic Jamhoori Ittehad-Combined Opposition Parties] have chosen to demonstrate once again the hollowness of their democratic credentials by fielding or tacitly supporting the candidature of some of the most notorious turncoats of the previous era. While the PPP's announced list of candidates for National Assembly constituencies in the Punjab includes the names of all such members of the dissolved House who, after being elected on the IJI ticket, had sold their loyalties to the then party in power at the Centre; the IJI is reportedly keeping the slots open for the group of Hazara's former legislators who had earned the distinction of excelling in horse-trading in the dismissed provincial Assembly of the Frontier. With democracy being virtually monopolised in the country by such political practitioners, the voter cannot be blamed if he comes to view elections and all that as no more than a farce enacted only to legitimize government of the politicians, by the politicians, for the politicians.

Charge of Army Role in Bhutto's Ouster Refuted

91AS0055A Karachi DAWN in English 13 Sep 90 p 7

[Article by Muzaffar Hasan; words in italics as published; first paragraph was in boxed area]

[Text] Those propagating the involvement of our own army in the ouster of Ms Benazir Bhutto ignore the fact that the President is not a person who can be pressurised. He acted because he had lost patience with a Prime Minister whose faults were so glaring that even foreigners had started noticing them for a long time.

Apart from the foreign missions which maintain a close vigil on the unfolding political scene the fact that foreign journalists are scouring the country for independent assessment of the situation dawned on me forcefully the other day.

A journalist representing a local newspaper of a southern state in the USA contacted me and we talked for almost three hours. When I asked him how come a provincial newspaper in the USA was interested in our elections, he said the whole world was.

He had been in this country for over ten days and had met many people including a number of journalists. My meeting with him took place a day before he left. He said he would file a pre-election story and would return at the time of elections.

One of his assessments was that the U.S. Ambassador did not have prior information about the 6 August announcement. He was, however, puzzled by Ms Benazir Bhutto's initial assertion that the Military Intelligence had cooked up cases against her and that the President had been pressured to take the action that he did.

I told him that the action was the responsibility of the President and President alone. Those who know him would say without hesitation that he possessed unimpeachable integrity and always took his own decisions without being pressured by any one. It was clear that he had been warning Ms Benazir Bhutto for a long time about her illegal and unconstitutional ways. The stories of corruption were known to most people, including foreign missions who had received reports from foreign firms about demands for illegal gratification made on them by some ministers.

The army was unhappy about the situation in Sindh and had advised repeatedly that to the extent it was the result of political differences and ethnic animosities, it should be settled through dialogue and discussion. It did not want internal trouble while facing a grim situation arising from the presence of Indian troops in an advanced position on the border. It also did not like interference in postings and promotions which, when attempted, created the impression that the former Prime Minister would politicise the army. It may be pointed out that Ms Benazir Bhutto had started her term of office by appointing partymen in positions of authority in various sensitive organisations and corporations,

including the banks. The induction of 26,000 partymen selected by the Placement Bureau into various offices was not only violative of the law but showed an inclination to politicise the services.

Despite growing coolness and differences over requisitioning the Army's services in aid of civil power in Sindh ignoring Article 245 of the Constitution, the COAS [Chief of Army Staff], Gen Mirza Aslam Beg, showed maximum flexibility. The army was allowed to man the checkpoints in Karachi and Hyderabad which had been set up.

According to some experts on Constitutional Law Article 147 allows the Federation to take over some functions of a provincial government. But while doing so, calling out the Army for support is only permissible under Article 245. This Article was added in April 1977 during the Bhutto regime but Ms Benazir Bhutto refused to go by it when she called out the Army for help.

In the light of the tolerance shown by the Army throughout, putting the blame for her ouster on Military Intelligence only shows how grossly Ms Benazir Bhutto was apt to misread men, motives and situations.

Accepting the fact that the President acted on his own after he had built up a detailed charge-sheet against Ms Benazir Bhutto, the next question was whether she would be allowed to hold the office of Prime Minister in case she won the 24 October elections. I told the journalist that the President had made it quite clear that the results of the election would be accepted with an "open heart." One should not doubt that the elections like the November 1988 polls, would be fair and free.

What bothered the foreign journalist was the accountability process which had been set in motion and was perhaps a device to trap Ms Benazir Bhutto. I told him that the ex-Prime Minister had proclaimed soon after her dismissal that she had given the country the cleanest administration that it had seen. The process should, therefore, be welcomed by her as it would enable her to prove her contention and disprove all charges of corruption against Mr Zardari and her Ministers, which she asserts are being fabricated.

Moreover, the accountability law had been there since 1977 (while one version of the law has existed since 1976 when the PPP [Pakistan People's Party] was in power) and the fact that she neither abolished it nor modified it shows she accepted it. It is not generally known that "accountability" formed a cardinal element of the PPP manifesto issued on 13 October 1988. It said the party was determined "to eliminate corruption through setting personal example" and that annual statements of income and wealth of all public servants (including Ministers) would be made public.

Furthermore, in the context of existing law and practice in our country it was necessary to have an effective law about accountability. In the West the politicians avoid corrupt practices and falsehoods due to the presence of

an efficient Press armed with the "freedom of information" law to which the effectiveness of the law about perjury adds teeth. But here politicians indulge in lies and disinformation without being brought to book. So, to have clean politicians who would serve the public instead of looking after themselves it is necessary to have a continuous process of accountability. But it should be even-handed.

My friend's next query was what would happen if Ms Benazir Bhutto was screened out by the process of accountability. I said that in that case she would be debarred for a number of years from taking part in politics. However, my own view was that she may personally not have indulged in corruption. Even Mr Zardari was known to have operated through frontmen according to stories about his activities that started circulating soon after the PPP government was formed. He may also escape. But even if he is caught that should not debar Mr Benazir Bhutto from holding any office.

Next he wanted to know my views about the prospects of democracy in Pakistan. I said despite fits and starts we as a nation value democracy a great deal and I was sure it would flourish. Our politicians will have to pay greater attention to the *spirit* of democracy, apart from following its form.

Now that state socialism was in disarray all over the world and the President of the USSR the mighty Marxist-Leninist state, had to acknowledge the merit of a multi-party political system, nourished and nurtured by a market-economy and human rights, all future political progress lies only in following a truly democratic policy.

I told him that much can be learnt about peoples' mood by looking at the last elections held in November 1988. Over one thousand candidates participated for 204 seats of the National Assembly (to which elections were held initially). Out of these, over 50 percent candidates offered themselves for elections as *independent* candidates. Moreover, apart from PPP and IJI [Islamic Jamhori Ittehad], the two major political parties, 26 smaller parties entered the arena though each contested a limited number of seats. The Wattan Party contested one seat and polled 184 votes only! Pakistan Awami Ittehad (an election union of Tehrik-i-Istiqal and Jamiat-e-Ulema-e-Pakistan) fielded 83 candidates out of which only 3 succeeded. They got 4 percent of the total votes cast, the ANP [Awami National Party] got 2 percent and JUI(F) [Jamiat-i-Ulema-i-Islam] got 1.84 percent, while the remaining 23 parties received less than 1 percent of votes each. Only those who love democracy whole heartedly can indulge so wantonly in an exercise which costs a great deal of time and energy apart from a lot of money.

The recurrent bouts of Martial Law suffered by us have been due to squabbles among the politicians and a penchant for giving precedence to regional or parochial interests at the expense of national interests. Our leaders must realise that for a healthy political environment they will have to follow the tenets of democracy in both letter

and spirit. However, by now our defence forces, which are our best organised institution, must have learnt that intrusion into politics from time to time has only set the clock back.

Towards the end of our discussions, my foreign friend said he felt amazed at what he had heard. A view that was being advanced was that the Americans had desired that Ms Benazir Bhutto be pushed out so that it can use the Balochistan area and its ports for better deployment of its forces headed for the Middle East to deal with the Gulf crisis.

Those propagating the involvement of our own army in the ouster, ignore the fact that the President is not a person who can be pressurised. The President acted because he had lost patience with a Prime Minister whose faults were so glaring that even foreigners had started noticing them for a long time. On her dismissal a number of British and American newspapers pointed out that lack of leadership, incompetence and widespread corruption led to the quick erosion of goodwill with which Ms Benazir Bhutto had started her term as Prime Minister.

Editorial: Process of Accountability Vilified by War of Words

91AS0055B Lahore THE NATION in English
20 Sep 90 p 6

[Quotation marks as published]

[Text] Accountability is not a dirty word. Democracy is by definition a system of government in which the public representatives are accountable for their actions. Elections after regular intervals are meant to give the electorate the opportunity to sit in judgment on the performance of their representatives and either give them a fresh mandate or reject them for having betrayed their trust. In case the public representatives go completely off the rails and become an obstacle to efficacious governance, there are built-in ways of taking them to task, judicial review being one of them. Thus, if President Ghulam Ishaq has deemed it fit to initiate a process for ascertaining the validity of charges of corruption and misuse of power against the members of the former ruling party, it should have been treated as an earnest endeavour to reaffirm the principle of accountability. Unfortunately, however, while the special courts designated to pass the verdict are yet conducting preliminary hearings and most of the envisaged references have hitherto not seen the light of day, a war of words appears to have overtaken the judicial process. And judgments are being pronounced by all and sundry, arbitrarily and with malicious intent to score propaganda points.

A good deal has already been said about the misuse of the media and the crude gimmickry now in vogue to accomplish the task that ought to have been left to the courts. Polemics are indeed a part of the political process and rival contenders for power are prone to hurling accusations at each other, particularly on the eve of

elections. But given the 'free for all' scenario of casting aspersions and ascribing sinister designs, the war of words has tuned into an unsavory vilification campaign. Ms Benazir Bhutto, hitherto target of scathing attack from the caretaker ministers, now seems to have entered the fray with a vengeance charging. President Ghulam Ishaq with nepotism and challenging him to offer himself for accountability. The two-way traffic of character assassination may not be helpful to either party to make its case more convincing, but it will certainly bring discredit to all politicians, and strengthen the hands of those who wish to see the failure of democracy.

Editorial Urges Muslim League To Mend Internal Disarray

91AS0057A Lahore VIEWPOINT in English
21 Sep 90 p 6

[Quotation marks as published]

[Text] The Muslim League Central Parliamentary Board is reported to have finally resolved the dispute over party tickets, and Iqbal Ahmad Khan, supposedly the party General Secretary but perhaps the least relevant person to its decision-making, has once again been left high and dry. To add insult to injury, he has been issued a show-cause notice for taking part in activities prejudicial to party unity and image. Nevertheless, the high drama that preceded the 'all is well' communique was a sordid affair of factional strife. In a previous Muslim League meeting the feuding factions had thrown chairs and cutlery to settle scores with each other, this time they used guns. And the violent clash among rival groups outside the Muslim League House became so unmanageable that Mian Nawaz Sharif was prevented from attending the Central Committee meeting. Mr Junejo has ordered a probe into the incident and promised to take disciplinary action against those responsible for hooliganism, but an irreparable damage has been done to the Muslim League image. Ironically the person held responsible for the unsavoury show was none other than the party General Secretary and the issue at stake was the denial of party ticket to him. Notwithstanding, his claim as a party loyalist who has been wronged by the power-brokers, the manner in which he aired his grievance was unbecoming of a responsible leader.

In the backdrop of an enduring leadership dispute, and quite a few other dissidents pursuing their personal vendettas, the show of strength for the revocation of party decision turned into a competition of muscle power. And the 'tough guys' drafted as the student wing, also split on factional lines, found it convenient to test their shooting prowess. Regardless of what action may be taken against Mr Iqbal Ahmad Khan or perhaps a few others 'violators of party discipline,' the Muslim League leadership should take a serious view of the disarray in its organisational ranks. A party which claims to have the capability to offer a national alternative to the erstwhile ruling party and is seeking to create a grand alliance must get its act together before the election campaign gets

going. Nothing would be more damaging for its credibility than the feeling that how can a party which fights over tickets agree on distribution of offices.

Editorial Criticizes Political Patronage of Secessionists

91AS0057B Lahore VIEWPOINT in English
21 Sep 90 p 6

[Quotation marks as published]

[Text] The release of G.M. Syed and a voluntary withdrawal of cases against him, some of which implicated him in sedition, has given a completely new turn to the political scene in the country. The reason given for his release by Jam Sadiq Ali, the Sindh Chief Minister, is that all the cases against him were fabricated by the previous government. He has offered no explanation why the governments before the previous government, had registered cases against him. Actually Mr Syed had never tried to hide his feeling against the Quaid-i-Azam and the Pakistan movement. He also made no bones about his contacts with the Indian government to achieve, what he sees as an independent Sindh Desh. Despite that General Zia and his former Interior Minister (now the Governor of Sindh) openly cultivated him. General Zia's explanation for meeting him was not that the cases against him were false but that he was an old man, deserving of sympathy. The explanation now offered, however, carries a far greater political import. One would have no quarrel with that if the motive of the Sindh Government were not so manifestly suspect. It is clear to even a casual observer of the happenings in Sindh that the caretaker government would go to any length, even to seek alliance with a self-confessed secessionist, to block its political rivals.

Ironically Mr Ghulam Mustafa Khar has vowed to stop Benazir Bhutto's return to power because, he says, 'she is a traitor.' Notwithstanding, the legitimacy of Mr Khar's 'moral right' to sit in judgement on the patriotic credentials of the former Prime Minister, with whom he was willing to play ball until he became a caretaker, the inclination to issue certificates of good conduct for political expediency is surely counter-productive. If known secessionists are to be baptised as patriots, the caretaker government should say so without playing tricks on public memory. G.M. Syed is on record having said during his visit to India that he had come to apologise to Sindhi Hindus for having made the blunder of supporting Pakistan. It would be quite a motley crowd put together if all such elements are officially patronised and given the licence to preach the break-up of the country.

Commentary Laments Women's Poor Parliamentary Representation

91AS0006C Islamabad THE MUSLIM in English
14 Sep 90 p 4

[Commentary by Sultan Ahmed: "Women in Parliament"]

[Text] Two seats, 10 seats, six seats, 10 seats and 20 seats and suddenly none at all! That is the story of women's representation in Pakistan parliament during the last 43 years.

Is that progress, regression or a *faux pas* on the part of the members and leaders of the dissolved National Assembly [NA]? In 1956 when the first Constitution of Pakistan provided for 10 women members—five each from West and East Pakistan—in a House of 310, it was explicit the reservation would be valid for 10 years only. The framers of the Constitution in an Assembly which had some real giants, like H.S. Suhrawardy and Dr Khan Sahab, were hopeful that the women of Pakistan would have made real progress within 10 years, they would not need reserved seats later, but could contest elections on equal footing with men.

But that dream or hope was to remain unrealised even 17 years after that, and so the 1973 Constitution framed under Z.A. Bhutto provided for 10 seats for women in the National Assembly for a period of 10 years or two elections. If the Constitution had functioned in the manner its framers wanted and we had regular elections, the special seats for women would have come to an end by 1982. But the constitutional process was rudely interrupted in 1977 following the controversial general elections. So in the NA which followed the 1985 non-party elections and the 1988 party-based elections there were 20 seats for women.

The 20 seats in place of the 10 which the 1973 Constitution provided for, was a gift from an utterly unexpected quarter: General Zia or the framers of the Eighth Amendment under him.

The manner our leaders presumed that women would have made enough progress within 10 years, that they would not need reserved seats thereafter, is more like their presumption that we would have complete literacy within a couple of decades, while in reality we have nominal literacy of 36 percent and effective literacy of 12 percent after 43 years of establishment of Pakistan.

And now will the next National Assembly provide for reservation of seats for women in it? Women's organisations in the country certainly want that. Not only that. They want those women to be elected by women, and not by the male members of the National Assembly.

It is bad enough we have had a Senate since 1973 in which there was no woman at all until recently when Dr Noorjehan Paniezai of Balochistan became the first woman Senator. On that basis she has become a minister in the caretaker government as well. And now the new NA will have the same inadequacy, except for the women who are directly elected to it.

All that has to make the women of Pakistan very unhappy and protest that parliament of Pakistan does not represent one-half of the country despite the increase in the consciousness of women of their rights, the wrongs of men and misdeeds of administration.

Of course, this will not be the first time the NA will not have any women, except those directly elected to it. The 1955 Constitution Convention, which later became the Constituent Assembly, and framed the 1956 Constitution, did not have even a single woman, directly or indirectly elected.

But those men really missed the presence of women in their midst and so made a provision for 10 women in the next NA—five each from East and West Pakistan. But after Gen Ayub scrapped that Constitution following the run of two years it had, and he came up with his own Constitution in 1962, he provided for six seats for women in the NA—three each for West and East Pakistan. But having reduced the number of reserved seats to six, he did not care to come up with the 10-year period stipulation, as the elected representatives did earlier and later.

Now the women have lost not only their 20 seats in the NA but also 23 others in the provincial Assemblies—12 in the Punjab, five in Sindh, four in the Frontier and two in Balochistan—a total of 43 seats which is quite a loss, and even more so to the ambitious women politicians who cannot win the elections directly.

I remember Begum Shaista Ikramullah as a member of the first Constituent Assembly for Pakistan. She was very articulate and combative, and look on the male members on any issue in which they felt they were wrong and she was right. She was the wife of the Foreign Secretary then; but that didn't deter her from airing her views articulately in the presence of Prime Minister Liaquat Ali Khan. She was not directly elected to the Constituent Assembly, as also were the other members. She was elected by the East Pakistan Assembly Members. So, women's representation in our Assemblies has a long history.

Normally, the dissolved National Assembly and the Senate acting together should have amended the Constitution to extend the reserved seats for women for at least 10 years. If they so chose, they would have reduced the number of these seats to 10 or 15 instead of Gen Zia's 20.

But, evidently, Ms Bhutto as prime minister and the PPP [Pakistan People's Party] presumed they had time enough on their hands to do that, or they feared the reactionary elements in the Senate and NA might not have agreed to extending the period of reservation readily.

Or, did Ms Bhutto presume that since several women had got themselves elected directly to the NA in 1988, and one indirectly to the Senate, further reservation of seats for women in the NA was not necessary?

Ms Bhutto had got herself elected to the NA from three seats—two in Sindh and one in the Punjab; and Begum Bhutto from two seats—one in Larkana and the other in Chitral. Dr Ashraf Abbasi had got herself elected from Larkana and Abida Hussain had got herself elected

directly from two constituencies in the Punjab. Does that mean women did not need reservation of seats in the NA anymore?

But the fact is that while the number of women's reserved seats in the NA was doubled to 20 in 1985, the quality of their representation did not improve significantly. Exceptions like Shahnaz Wazir Ali, who became Minister of State for Education, apart, the others did not distinguish themselves. Noisy many of them were, and militant some of them were conspicuously; but enlightened many of them were not. The reason was not that there were not such enlightened women in public life; but the seats were distributed more on a patronage basis or in return for small services rendered to the party and more often to the party chief, or as a recognition of absolute loyalty or fealty. That kind of representation is not good for women, their cause or their struggle.

Women's Action Forum and other militant women's bodies demand not only restoration of the reserved seats in the NA, but also election of women's representatives by the women and not by the men in the NA. That is a sensible demand, but how is that to be given practical effect?

Women all over the country are already voting in the general constituencies—mostly for men. They cannot be given a second vote for voting for women candidates. And if their elections are made direct, their constituencies will be more than 10 times the size of the general constituencies. Campaigning in such large constituencies will be too tough and very expensive.

Nor may women like to be disenfranchised when it comes to voting for men in the general constituencies on a party basis. Hence, while the principle that women should elect women's representatives is right, giving practical effect to that presents a serious problem.

Some may also argue that in a country in which a woman has been a prime minister with five other women as ministers, and a woman as Deputy Speaker, you don't need reserved seats for women. Some may quote the fact that Miss Fatima Jinnah took on Gen Ayub in the presidential elections of 1964 and nearly won in the first round. Even in the caretaker government, the powerful Minister for Information is Abida Hussain. The country had several women ambassadors as well, including Begum Rana Liaquat Ali Khan, Begum Ikramullah and Mrs Khurshid Hyder.

But the hard fact remains that the women of Pakistan are largely backward and have a low literacy rate. Absence of a reasonable number of women can make not only their cause go unrepresented in the NA but also the case of the children who are usually neglected. Such a double vacuum is impermissible.

Editorial: Pakistan 'Cannot Afford' Absence of Democracy

91AS0006B Islamabad THE MUSLIM in English
14 Sep 90 p 4

[Text] The speaker of the defunct National Assembly, Malik Miraj Khalid has painted a depressing picture of the prospects of democracy in Pakistan. In the course of his address at a seminar in Lahore he gave voice, in effect, to the widespread unease and apprehensions in the country with regard to the developing political scenario. This, despite repeated assurances held out by the caretaker government that elections will be held as scheduled, supported by visible signs of appropriate official activity. Now the Speaker, not usually given to alarmist pronouncements, has sounded a note of dire pessimism with regard to the course on which the nation is embarked.

Unfortunately for us, his remarks only reaffirm what has taken the form of unspoken dread among those who see little future for the country sans democracy. In our brief history, we have time and again borne witness to the sorry fact that whenever democratic principles were set aside and democratic institutions undermined, as a nation, we emerged weaker than before—less able to confront the problems we face and more dependent on external sources of support.

All this, however, has not prevented ambitious and misguided civil and military bureaucrats or indeed self-serving politicians from appointing themselves guardians of the national interest and suspending the democratic process on the grounds that our people were not ready for democracy or that it did not suit their genius. Those unwilling to abide by the will of the people have posited democracy as a luxury that a poor country like ours could ill afford. Starting from this patently false premise, the people of Pakistan have been subjected to an undemocratic dispensation, in various forms, over the better part of the country's history—whether in the name of order, security or Islam. The truth of the matter is that given our make-up as a nation and the ideals that we set out with in 1947, it is the absence of democracy that we cannot afford. The best guarantee of our security and well-being is still a people actively engaged, through a credible democratic process, in the task of shaping their own destiny.

Obviously, democracy is not an instant solution to all problems as democratic systems everywhere clearly illustrate. But then, as our own experience shows, there are no short cuts. Democracy cannot be made into some kind of a test that the people and politicians have to pass—failing which other avenues are to be explored. If the democratic process is flawed and the institutions weak the answer is not to do away with democracy or to limit it through self-serving restrictions but to remove the obstacles in the way of its operation. Mr Miraj Khalid's call to all those who value democracy to set aside their differences in the national interest—for

nothing less may be at stake—should not be taken lightly. It is undoubtedly time to eschew selfishness for enlightened self-interest.

Article Details Debt Commitments

91AS0055E Lahore VIEWPOINT in English
20 Sep 90 p 28

[Text] The total commitments of foreign loans and grants to Pakistan at the end of June, 1990, were estimated at \$41 billion, of which \$30.6 billion, i.e. 74.6 percent, stood disbursed.

The Aid-to-Pakistan Consortium is the single largest source, providing 82 percent of the total gross inflow. Of the total assistance from this source, 49 percent is on bilateral and 33 percent on multilateral basis. Non-Consortium sources and Islamic countries provide the remaining 18 percent of the total gross inflow, including 4 percent of relief assistance for Afghan refugees.

During 1989-90, total commitments from these three sources, inclusive of IMF (SAF [Structural Adjustment Facility]) loan and relief assistance for Afghan refugees, is estimated to have risen by 31.2 percent in \$4,348 million from \$3,313 million to 1988-89. As against this, total disbursement during 1989-90 is estimated at \$2,229 million, depicting a decline of 14.9 percent from \$2,619 million in 1988-89. It accounted for 51.3 percent of total commitments in 1989-90, as against 79.1 percent of total commitments in 1988-89.

During 1989-90, debt servicing excluding interest on short-term borrowings and IMF charges, is estimated to have risen by 13.3 percent to \$1,275 million from \$1,125 million, while gross disbursements, inclusive of IMF (SAF) loan, declined by 16.4 percent of \$408 million from \$2,487 million in 1988-89 to \$2,079 million in 1989-90, resulting in a decline in net transfer from \$1,362 million or 55 percent of gross disbursements in 1988-89 to \$804 million or 30 percent of gross disbursement in 1989-90.

The external debt (disbursed and outstanding) was estimated at \$15.6 billion at the end of June 1990, which is 9.9 percent higher than in 1988-89.

Energy Conservation Viewed, Strategy Recommended

91AS0005B Karachi DAWN in English 13 Sep 90 p 5

[Text] The energy conservation measures announced by the federal cabinet are designed to help the government absorb the fiscal impact of the Gulf crisis on Pakistan's scarce budgetary resources and balance of payments. It has been decided that all petrol pumps, except those on highways, will remain closed on Fridays, shops and

commercial centres will shut after 7:30 p.m. and no illumination will be allowed at weddings and other ceremonies. Although the prices of petroleum products within the country have not been increased and short-term supplies assured, hikes of up to 30 dollars a barrel in the international market will inevitably place an increased burden on Pakistan's foreign exchange reserves. Since there is already talk of sharp cuts in assistance from traditional donors, Pakistan is likely to face a resource crunch in meeting the cost of imported oil. Energy shortfalls were a major problem even before the present crisis erupted. Now the pressure will be doubly felt. Though in the right direction, the conservation measures announced constitute a very small step to reduce dependence on oil imports.

To overcome the crisis, Pakistan needs to adopt a two-pronged strategy. First, it must effectively enforce additional energy-saving measures. Secondly, it should enhance its capacity for power generation from its own resources. Closing of petrol pumps on Fridays will not really go far enough to bring down existing consumption levels. Consumers, especially those given to a luxurious life-style, would neutralise the provision by filling up their tanks on Thursday. Thus, to instil a sense of responsibility, petrol rationing could be introduced alongside a vigorous economy drive to limit the use of vehicles in all departments. Similarly, the use of air-conditioners must be discouraged and restrictions imposed on all public and private sector consumers. An efficient transport system, for example, by reducing dependence on cars, can help curtail energy costs. Early closing time for shops has been introduced before but never vigorously enforced. Better enforcement measures should be adopted this time to produce results.

As economic development depends on the availability of power supplies, Pakistan will have to take imaginative and feasible steps to raise production of electricity in the long-term to avoid a possible economic slowdown. Additional hydel capacity can be realised by undertaking development of prospective sites upstream like Bhasha, Dasu, Thakot and Ghazi Ghariala. Intensified oil and gas exploration efforts also must form a major part of the drive to reduce dependence on oil imports. Then, a vigorous pursuit of the nuclear option for producing electricity can minimise oil consumption for generating energy. Planning for Phase II of Lakhra, where coal reserves of 240 million metric tons are available, should be geared up. Not only will this help diversify energy resources but also reduce dependence on imported oil. Development of indigenous energy resources is essential to meet the long-term effect of oil price hikes and credit squeeze. But to counter the immediate threat, a more thorough-going energy conservation approach is necessary.

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